

Digital Economy

& the Digital

Divide

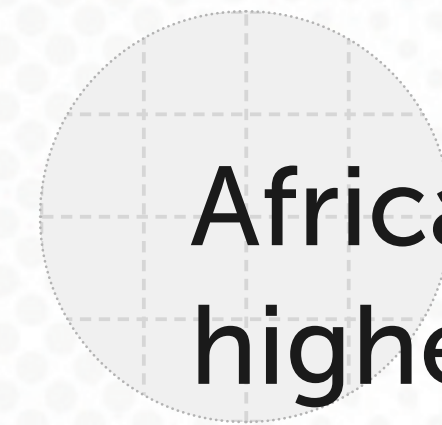
Findings from the Ibrahim Index of African Governance



Mo Ibrahim
FOUNDATION

The continent's digital potential is vast

- African countries can draw on a young generation of digital entrepreneurs adapting to the new global conditions, in the recovery.
- There are over 640 tech hubs active on the continent.
- 80% of young African's own a mobile phone, while 77% use their phone every day.



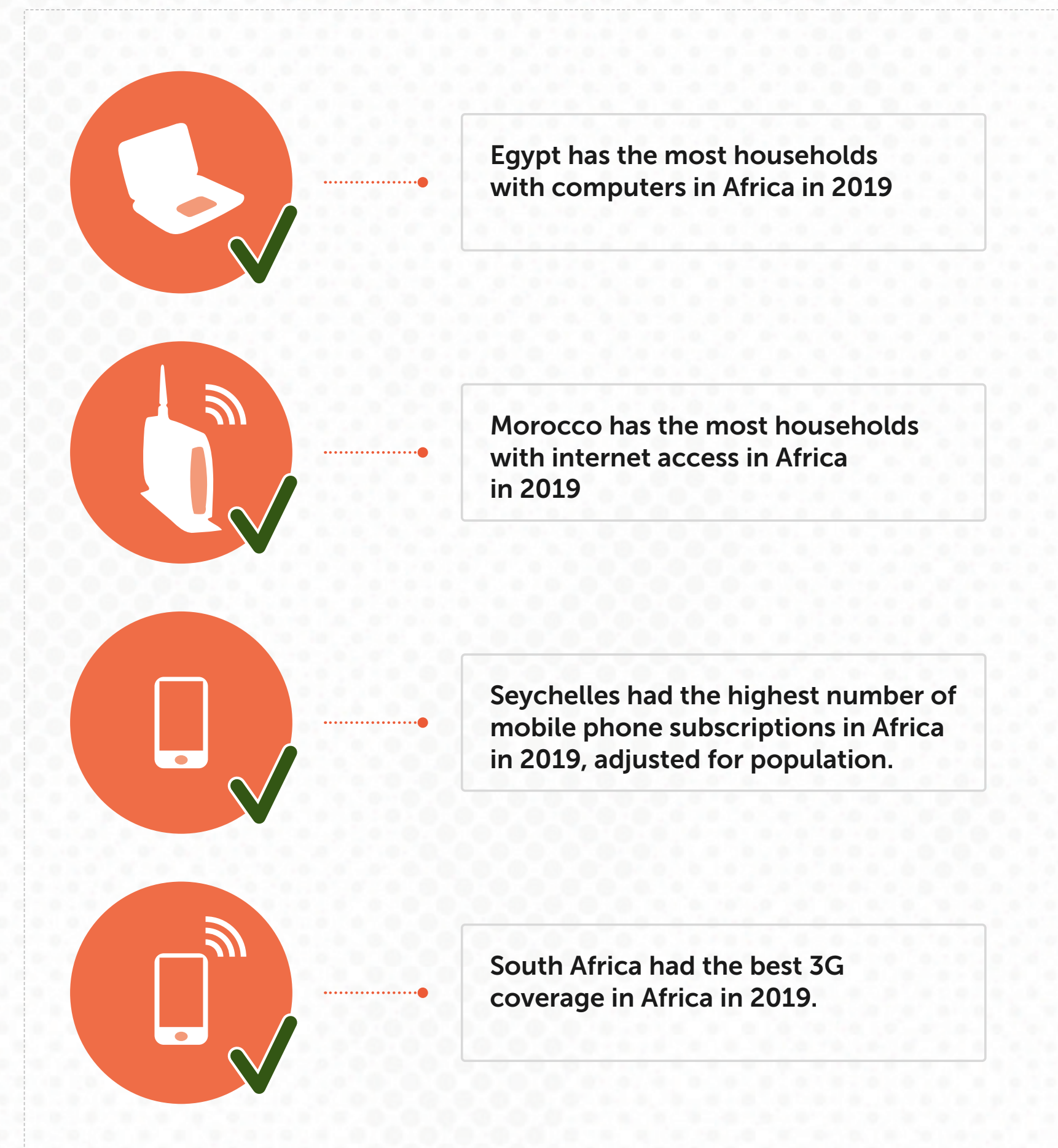
**Africa has the world's
highest number of mobile
money accounts**

Digitalisation is an opportunity for Africa to leapfrog

- *Access to Financial Services* has improved in 36 out of 39 African countries.
 - Every country with data but Botswana, Mauritania and Nigeria use digital payments more in 2019 than in 2010.
- Potential to improve social safety nets.
- Digital technology used in health response to pandemic.

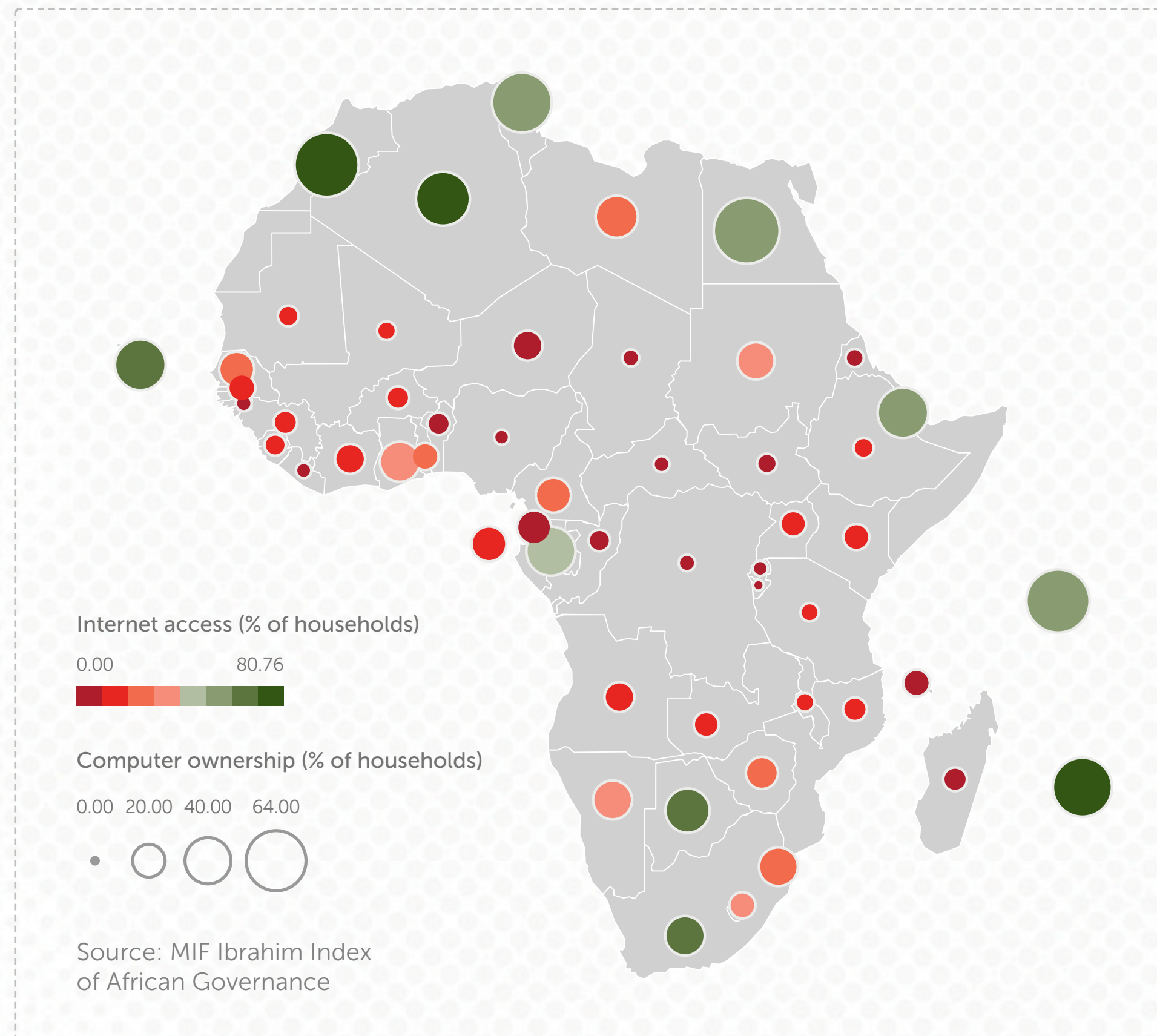
Access to digital technology has improved since 2010

- Every African country has **more households with internet access in 2019** than in 2010.
- Every African country but Nigeria has **more households with computers in 2019** than in 2010.
- Every country but Libya has **more mobile phone subscriptions** in 2019 than in 2010.
- **3G coverage has improved** in every country but Eritrea.



However in too many African countries access to internet and computers is still low

African countries: households with internet access and computer ownership (2019)



In 2019, there were only 10 African countries where over 50% of households had internet access

In 2019, there were only 5 African countries where over 50% of households had computer access

Digital divide holds back progress

- The digital divide between countries and within countries results in inequalities both in physical access to ICTs and in the resources and skills needed to harness such technology effectively.
- In 2019, *Digital Access* is still the second lowest scoring IIAG indicator (out of 79) at the African average level.

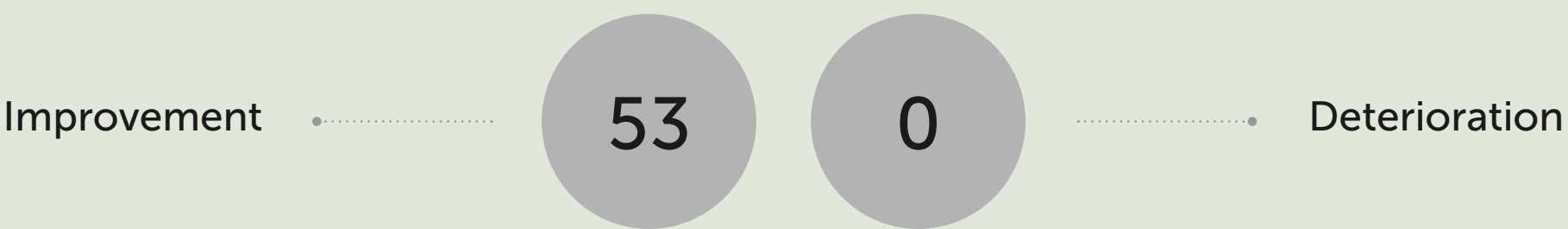
Highest scoring country (2019)	Morocco
Lowest scoring country (2019)	Burundi
5 most improved countries (2010-2019)	Morocco, Tunisia, Algeria, Kenya, Cabo Verde
5 most declined countries (2010-2019)	/

African average

2019 score/100.0	24.6
10-year trend (2010-2019)	Improvement (+18.4)
Trend classification: 5-year trend (2015-2019) compared to 10-year trend	Increasing Improvement 

African countries

10-year trend (2010-2019) by number of countries



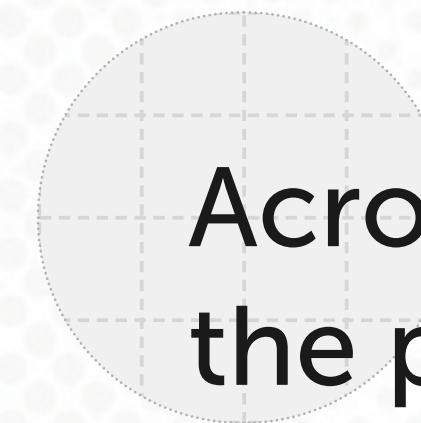
Twenty countries, hosting 31.2% of Africa’s population score less than 10 out of 100 in 2019.

Digital divide also hampers key COVID-19 response measures

- Social protections were limited by the digital divide as many could not access cash transfers.
- School closures meant being out of learning.
 - 89% of learners in sub-Saharan Africa do not have access to household computers, 82% lack internet access and at least 20 million live in areas not covered by a mobile network.
- Many were unable to switch to home working.

... and has repercussions for democracy, inequalities and gender

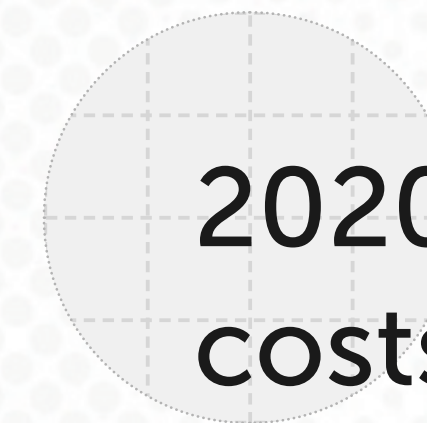
- The digital divide excludes some from democratic participation.
- Increased use of E-governance and E-democracy initiatives excludes those who lack the means, skills, or physical access to digital technology.
- Rural-urban inequalities in digital access.
 - Areas without internet coverage are predominantly rural
- Gender inequalities in digital access.



Across eight African countries the proportion of adolescent girls with ICT skills is on average 3.4 percentage points lower than for boys

Cost, speed and security: main challenges to bridging the divide

- The relative cost of internet in Africa is the highest of any world region.
 - Costs have stagnated in most African countries over the decade.
- *Internet Speed* is one of the 5 lowest scoring IIAG sub-indicators in 2019.
- 8 countries score 100.0 in *Internet Security* sub-indicator 2019, while 30 countries score less than 10.0.

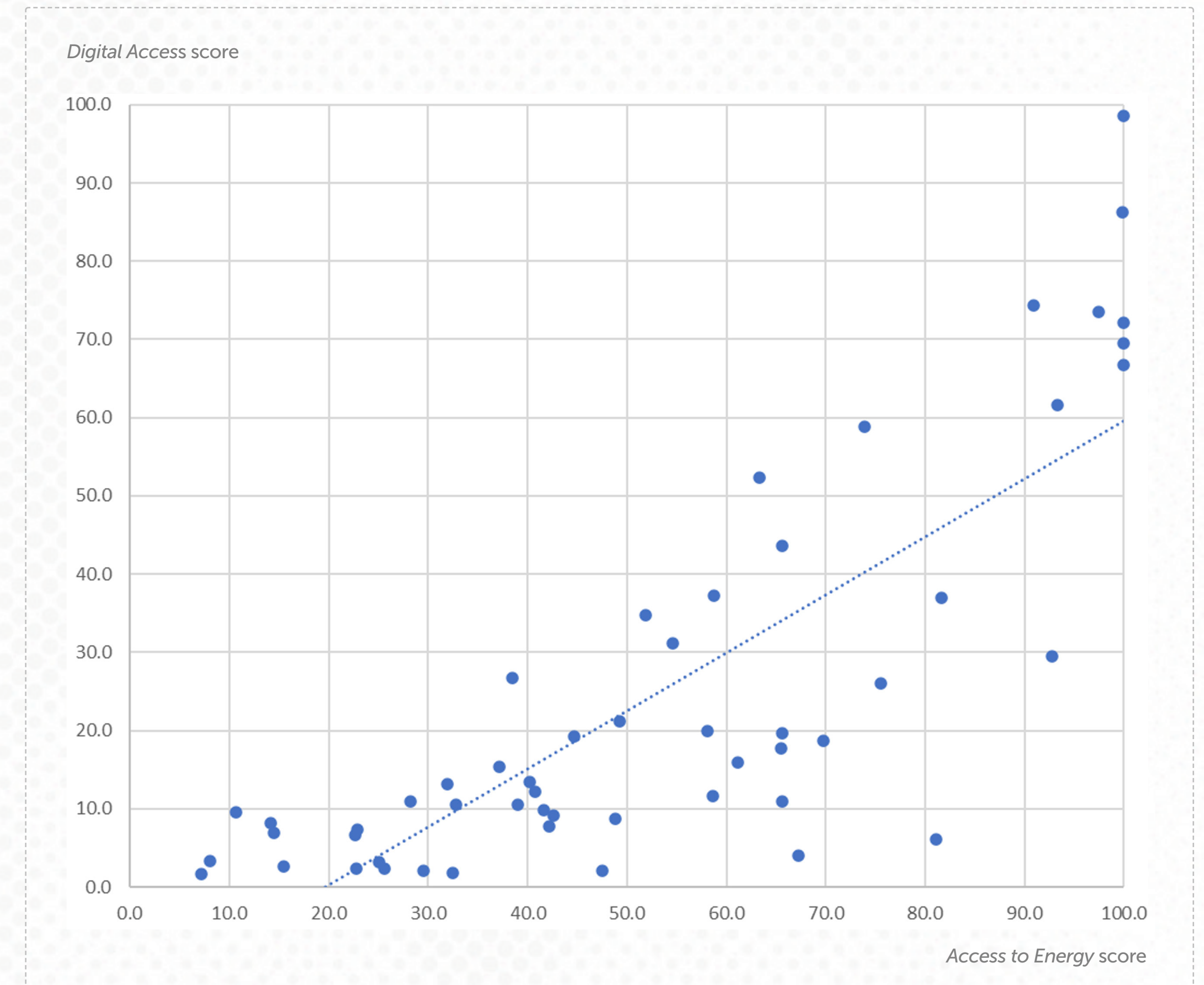


2020 median fixed broadband costs as percentage of GNI per capita: Africa 18.6%, Asia & Pacific 2.96%, Europe 1.26%

The elephant in the room: no digital economy without energy access

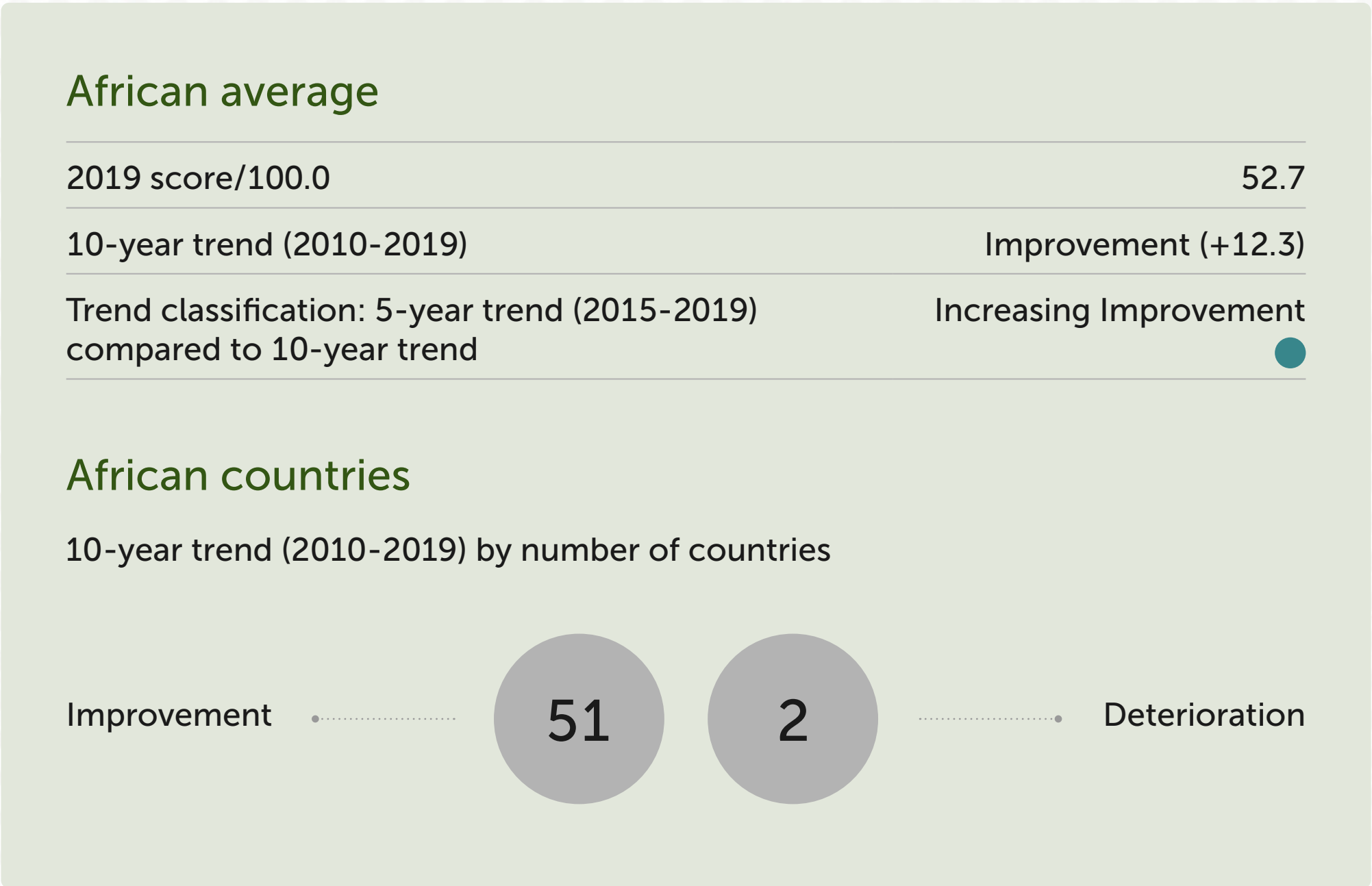
- *Access to Energy* is the most closely correlated IIAG indicator to *Digital Access*.
- 8 of the top 10 in *Access to Energy* are also in the top ten for *Digital Access* in 2019.
- 5 of the 10 worst performing in *Access to Energy* are also in the 10 worst performing for *Digital Access* in 2019.

African countries: *Digital Access* and *Access to Energy* score (2019)



Access to Energy in the 2020 IIAG: Progress made but too many still off grid

- Almost all (51) African countries have managed to increase energy access since 2010, while only Mauritius and Libya have seen declines.



Highest scoring country (2019)	Algeria/ Egypt/ Morocco/ Seychelles
Lowest scoring country (2019)	Burundi
5 most improved countries (2010-2019)	Kenya, Eswatini, Uganda, Lesotho, Congo Republic
5 most declined countries (2010-2019)*	Libya, Mauritius

* Only 2 countries experienced a decline over the decade

Only four African countries, Algeria, Egypt, Morocco and Seychelles had universal electricity access in 2019.

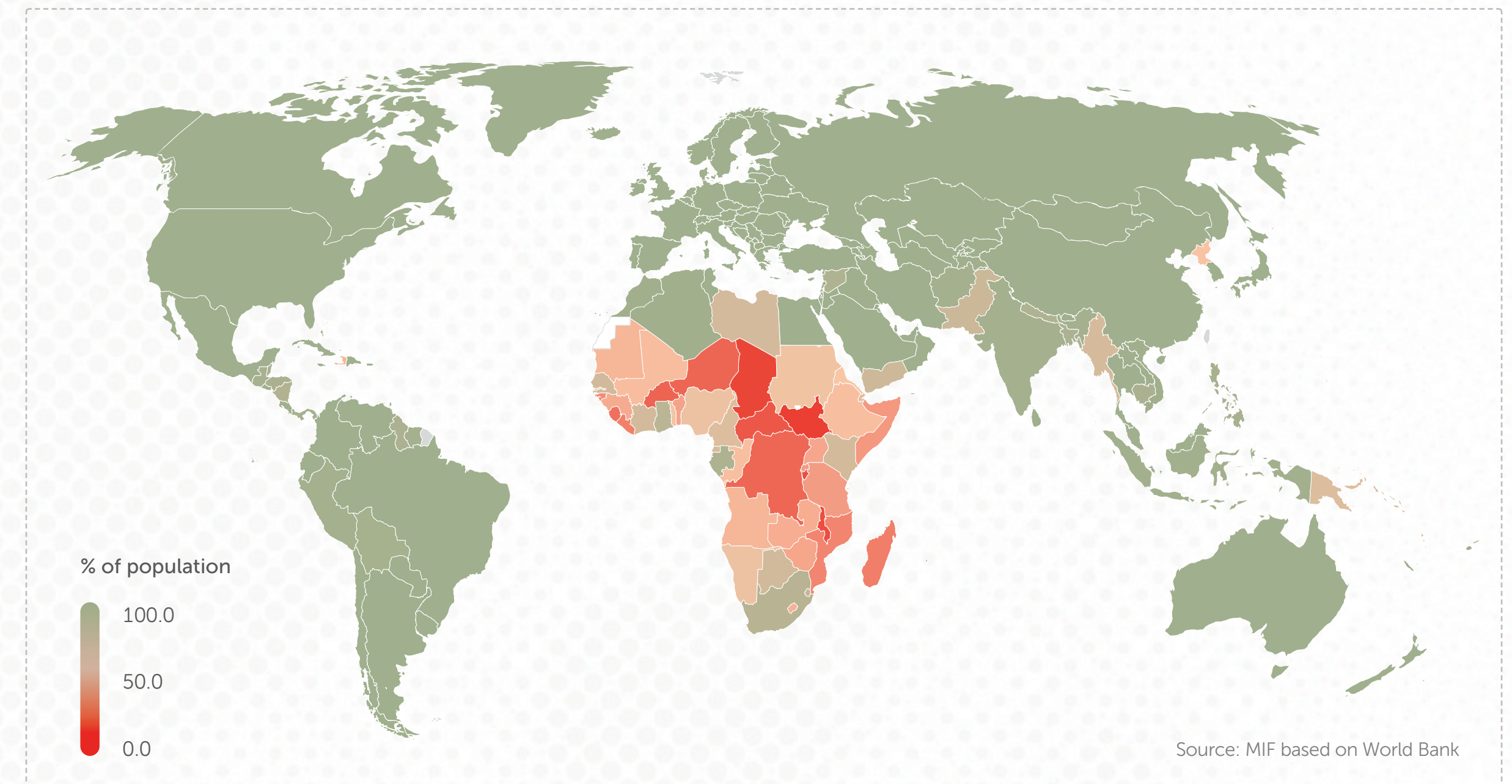
Africa faces the unique challenge of electrifying without emitting

- Africa has the lowest electricity access of any region globally.
- African countries now face the challenge of electrifying using minimal fossil fuels, due to a climate crisis they did little to cause.

There are over 600 million Africans still off-grid, equivalent to almost twice the total population of the US

Access to reliable energy is a key building block for a transformative recovery and for achieving the SDGs and Agenda 2063.

World countries: access to electricity (2019)



No sound policy without sound data

- Civil registration is key to assess needs and define policies but also crucial for citizens' access to public services.
- The COVID-19 pandemic disrupted the already weak African civil registration capacities.
- Due to data limitations, COVID-19 cases and deaths could be greatly underestimated.
- Already low vaccination rates might be far worse, as unregistered population remains unaccounted for and is at risk of being left out by vaccination campaigns.

Only 10% of deaths are registered in Africa, compared to 98% in Europe

Over 50% of African children do not have a legal existence

