

## STI Forum 2021

# African digital entrepreneurs leading the way for COVID recovery & SDG acceleration

Date: 4 May,

Time: 8:00 – 9:00am US Eastern Time / 14:00 – 15:00 Central European Time

<https://sdgs.un.org/tfm/STIForum2021>

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### Introduction

The 6th annual Science Technology and Innovation Forum, taking place 4-5 May 2021, will explore “*Science, technology and innovation for a sustainable and resilient COVID-19 recovery, and effective pathways of inclusive action towards the Sustainable Development Goals*”.

Covid has acted as a global digitalization booster (ITC-Avasant, 2020). The current world context is pushing organizations to accelerate the adoption of digital innovations in both the private and public sectors.

The African continent has benefited too, despite challenges related to lower connectivity and hardware baselines in comparison with other regions and there is growing evidence that the pace of digital transformation has been accelerating as well on the continent.

Even before the pandemic, the continent was a global leader in terms of mobile money accounts (300 M in 2020) and there are more than 500 African companies offering disruptive financial technology services. The entrepreneurial ecosystems are also maturing: more than 600 technology hubs (incubators, accelerators and co-working spaces) are supporting innovators to kick-start their businesses around the continent.

Despite this promising potential, the African continent faces a number of challenges hindering it to fully harness the potential of digital transformation:

- **Affordable and meaningful connectivity:** most of the last billion to be connected live in Africa. According to the World Bank, nearly 300 million Africans live more than 50 kilometers from a fiber or cable broadband connection; hence the lack of widespread availability of high-speed internet remains a significant hurdle, while reliable and low-cost connectivity is essential as it drives productivity, innovation, and growth. Although venture capital flows have increased steadily, digital startups still struggle to attract funding, while small businesses in traditional sectors are only slowly adopting digital business models to improve productivity and sales.
- The **digital skills gap** remains substantial and prevents the uptake of new technologies and innovative business models. SDG 4 remains a distant goal to reach.
- **Regulation and policies** are adapting too slowly to the digital economy, although there are relevant initiatives, from the laissez-faire approach of Kenya’s authorities in relation with mPesa to the regulatory sandbox for fintech startups in Rwanda

Nevertheless, in the last fifteen years, the growth of digital technology, mainly driven by the mobile revolution and associated innovations has been one of the bright spots for Africa's development. As summarized by Dr. Vera Songwe, Executive Secretary, UN Economic Commission for Africa, "this progress has also raised hope that (Africa) can truly accelerate the implementation of the SDGs. Today, more than 80 percent of Africa's population has a mobile phone subscription. In several African countries, the digital economy is becoming one of the main drivers of growth, accounting for more than 5 percent of GDP".

In areas such as digital financial innovation, health technologies, online education, entrepreneurs have adapted their business models to the constraints resulting from the pandemic and accelerated new market trends, for instance in online retail and e-logistics. In Uganda for instance, when the lockdown struck, ChapChap Africa, a local fintech startup looking to improve livelihoods of low income individuals and businesses through innovation, digital and mobile technology introduced mobile money features that allowed its approximately 6000 clients to deposit and withdraw cash. This contributed greatly to business continuity of their MSME portfolio that is comprised of 47% Women Owned Businesses

Because digital entrepreneurs often address market failures with their innovations, such as mobile money compensating for the lack of widespread banking services, they are de facto contributing to the Sustainable Development Goals. Development partners can incubate, accelerate and assist in scaling up the business ideas of African innovators.

## Session objectives

The session will contribute to the STI Forum discussions by reviewing recent digitalization trends (WTO, Briter Bridges, UNCTAD) and drill-down with two case studies. The startup founders (Safeboda, Etudesk) will illustrate the findings of the research and explain how their business models promote inclusiveness. They will talk about the people benefiting and how technology is enabling marginalized communities to access decent work. UNCTAD will explain how eTrade for All contributes to streamlining the coordination of programmes supporting entrepreneurs like Safeboda and Etudesk.

## Session structure

Opening remarks (5 min max): **Ms Linda Nanan Vallée**, ED, Fondation Jeunesse Numérique, Ivory Coast (public agency)

Opening remarks (5 min max): **Theodore Klouvas**, Senior Policy Officer Youth Employment, Oranger Corner programme, Ministry of Foreign Affairs of The Netherlands

### Panel discussion (50 min):

1. **Ricky Rapa Thomson**, Co-founder and Director of Safeboda - testimonial about how this mobile app is empowering the youth in Uganda and Nigeria to benefit from the gig economy, and how they contribute to SDG 8 on Decent Work
2. **Lamine Barro**, Founder & CEO, ETUDESK - testimonial about the role of online education during the pandemic and beyond to address SDG 4
3. **Cecile Barayre-El Shami**, Head, Capacity Building Programs on E-commerce, UNCTAD
4. **Emmanuelle Ganne**, Senior Analyst, Economic Research Department at WTO (tbc)
5. **Dario Giuliani**, Director, Briter Bridges

Moderator: **Robert E. Skidmore**, Chief, Sector & Enterprise Competitiveness, International Trade Centre