



5TH EDITION OF THE CRANS MONTANA DAKHLA - AFRICA FORUM

**BUILDING A STRONG AND MODERN AFRICA AT THE SERVICE
OF ITS YOUTH**

HIGH-LEVEL PANEL

DIGITAL TRANSITION: A KEY TO AFRICAN EMERGENCE

**INTRODUCTION BY MR. MOHAMMED TAWFIK MOULINE
DIRECTOR GENERAL OF THE ROYAL INSTITUTE FOR STRATEGIC STUDIES**

DAKHLA, 16 MARCH 2019

Excellencies, Ladies and Gentlemen,

It gives me great pleasure to welcome you to this High Level Panel on Digitization in Africa, hosted by the Royal Institute of Strategic Studies (IRES), in partnership with the Ministry in charge of African Cooperation and the Crans Montana Forum.

The theme of this Panel is of particular concern to IRES as part of its global competitiveness and immaterial capital study programs. IRES devoted a full chapter to the digital revolution in its 2015 strategic report, entitled: "Panorama of Morocco in the world: major transitions". The Institute also carried out a study in 2017 on "Digital transformation: drivers of an ambitious strategy for Morocco".

The study identified key global trends, examined the readiness of Moroccan companies and administrations for the digital age and made proposals to establish the digital transition as a pillar of Morocco's economic emergence and a central axis of its global competitiveness.

IRES pays particular attention to Africa as part of its "Morocco's External Relations" study program. Its 2018 strategic report clearly highlighted digital transition as a catalyst for change in support of Africa's autonomous development.

Excellencies, Ladies and Gentlemen,

Digitization and digitalization are closely intertwined. Digitization relates to the purely technological dimension, e.g. computer processing, while digitalization relates more to the usage of digital technology.

As processing capacity significantly expands, digitalization has made great strides in becoming a major trend driving far-reaching changes in all of the political, economic, social and security spheres.

At the political level, digital transformation might not only revolutionize the way public policies are formulated, but also constitute a sovereignty issue for countries. It is a vehicle for restoring institutional trust by promoting civic participation in public policy making and providing access to public data and information. As such, the digital revolution can help design public services of the future, more in line with citizens' demands, and thereby promote disintermediation.

On the economic level, digitalization allows the emergence of novel business models revolving around usage and creativity, and impacts the competitiveness of economies by redefining the rules of competition.

Dematerializing physical objects that have become digital (digitization), along with the creation of cyberspace and the development of related communication and

information technologies, lead to a massive transformation of human activities and the implementation of new economic models, where start-ups and freelancers operating globally can be prominent.

No activity can evade the digital transition and the resulting greater automation and automatization. Miniaturization and enhanced performance of Internet access terminals have already turned smartphones into indispensable interfaces. Application creation and distribution is at the heart of this new economy. Growing use of connected objects, 3D printers and autonomous robots is proof this shift is only just beginning.

On the social and societal levels, digital transformation brings about real changes in lifestyle, attitudes and thinking as well as co-existence conditions.

Digitalization transforms interpersonal relationships, relations with institutions and even international relations. It unleashes initiatives, globalizes relationships and gives immediate access to everything. Information and presence (ubiquity) could become the foundations of a new culture that is neither Western nor Eastern, nor African or Asian, but solely digital.

Access to the global infosphere¹ paves the way for situational comparisons, making inequalities ever more unbearable. At the same time, the Internet could become a powerful means of individual and collective expression, capable of relaying dissatisfaction to the point of facilitating popular insurrections.

In terms of security, cyberspace has become a new playground for crime, particularly with regard to digital identity theft, data piracy and the recruitment of extremists. Some States are tempted to use it to control or even censor populations, going as far as shutting down networks.

While the digital revolution offers unrivalled advantages in terms of functionality and access to content, it also presents significant dilemmas in terms of the "right to access" and the "right to forget", and at the territorial level, in terms of "the right to mobility" and "the right to control". Digital technology favors proximity and shorter channels.

Excellencies, Ladies and Gentlemen,

Africa is not immune to global digital transformation. Many African countries have successfully developed their digital ecosystems to meet political, economic, social and environmental challenges.

¹ "Infosphere" is a neologism comprising the words "information" and "sphere". It refers to both a global environment, made up of information, as well as all types of data that flow through it or are stored in it. Cyberspace is an example of an information sphere, but infosphere is not limited to online environments.

The continent has certainly entered the digital transition less massively, albeit often earlier than other developed countries. A number of operators on the continent have already embarked on the digital battle, often faster than their international competitors.

Africans have seen the development of an application-based economy coming. This has enabled them to skip the computer stage and invest directly in the mobile economy. A mosaic of entrepreneurs, technology start-ups and innovation centers are joining forces across borders to create a true information technology ecosystem, attracting major players such as Facebook, Netflix and SAP while the Silicon Valley is investing in digital projects in South Africa and Kenya.

To quickly embrace the digital transition and open up to the world of tomorrow, Africa must liberalize Internet access, while fighting cybercrime. It must go beyond the digital economy to boost African economic growth in an inclusive and sustainable way. Africa's growth depends in part on the expansion of information and communication technologies and the development of smartphone applications in a wide range of economic and social fields.

Excellencies, Ladies and Gentlemen,

Digital transformation is of strategic importance to Morocco. His Majesty the King Mohammed VI, in his Speech to the Nation for Throne Day on July 30, 2008, clearly highlighted the importance for Morocco of strengthening its appropriation of new technologies to accelerate development and adapt to international competitive imperatives.

In the Royal Message addressed to participants in the National Senior Civil Service Forum of 28 February 2018, it is specified that "... The use of new technologies is a key factor in improving administrative work. It is therefore necessary to move towards the mainstreaming of e-government by providing remote services and facilitating joint access to information for the various government departments".

The Kingdom implemented the Morocco Numeric Cluster 2020 strategy and recently created the digital development agency. Morocco successfully established itself in the global digital landscape, particularly in terms of Internet access, mobile connectivity and the use of social networks² :

- Internet access penetration rate is at 62% for Morocco compared to a global average of 57% at the end of 2018.
- Mobile Internet usage in Morocco has a rate of 56%, well above the world average of 41%³.

² "Digital, social media, mobile and e-commerce" report, We are Social, 2019

³ eMarketer

- Morocco's social network usage rate (47%) outpaces the global average, which stood at 45% at the end of 2018.

Morocco's international positioning has also improved in terms of digital transformation readiness indicators. In the years from 2007 to 2016, the Kingdom gained 60 places on the Digital Government Development Index⁴, 16 places on the World Innovation Index⁵ and 3 places on the World Economic Forum's Network Readiness Index.

According to the World Cyber Security Index⁶, Morocco ranked 49th out of 197 countries in 2017. Recognizing the growing importance of cyber threats, Morocco adopted a national cyber security strategy in 2012 and is committed to strengthening the security of its information systems.

On a different note, the analysis by IRES of digital transformation in Morocco revealed that large public companies as well as those affiliated with international conglomerates present greater maturity levels. As such, they are ahead of government departments on the "maturity" curve and constitute pockets of excellence that need to be built upon as part of the ambitious national digital strategy.

The evaluation of the Kingdom's positioning in relation to a sample of countries⁷ highlighted the need for Morocco to quickly become an actor in the multiple dimensions of digital transformation. This evolution is possible in view of Morocco's potential and its economic and geopolitical positioning, and also because of the major challenges that digital technology presents to its socioeconomic choices.

To do this, five strategic issues need be considered:

- Digital development is intrinsically conducive to innovation, efficiency and "disruption" in its many uses.
- The necessity of including citizens in digital transformation by providing them with the necessary autonomous resources to fit into the landscape of newly emerging digital uses.
- The need to develop territorial resources, including infrastructure and digital skills, in the context of advanced regionalization.
- The preservation of digital sovereignty, which is an essential axis of public decision-making, particularly with regard to the digital infrastructure of major economic sectors and public institutions.

⁴ UNDESA_UN E-Government Development Database

⁵ INSEAD

⁶ International Telecommunication Union, ABI Research _Global CyberSecurity Index

⁷ South Korea, Estonia, Algeria, Tunisia, Bahrain, Egypt, Malaysia, Turkey, South Africa, Nigeria, Kenya.

- Digital soft power is the intangible dimension of Morocco's positioning. Digital diplomacy constitutes an essential lever for Morocco's international influence and outreach, particularly in Africa, the MENA region and Europe.

Excellencies, Ladies and Gentlemen,

In order to successfully transition towards the digital age, Africa needs to turn digital transformation into a regional agenda driven by all stakeholders. To accomplish this objective, it is necessary to:

- Take stock of the African digital situation and carry out a global evaluation of policies implemented so far.
- Actively promote specific public policies that can in terms of digitization, support economic development and social change, combat the digital divide, promote affordable IT equipment and educate for the critical and rational use of digital technologies.
- Lay the foundations for an ambitious and integrated usage policy. Africa's full entry into the digital transformation phase requires the development of a strong digital culture.
- Provide Africa with a cyber-defense strategy aimed at combating cybercrime, enhancing the continent's e-reputation and developing e-diplomacy for the benefit of its strategic interests. The establishment of an African Agency for Digital Development is necessary.

Such public policies require the following measures for their appropriate implementation:

- Establish a pan-African regulatory framework, allowing the institutionalization of digital transformation.
- Develop African skills according to the most advanced international standards.
- Invest in Research & Development to support the continent's digital transition.
- Capitalize on innovations and successful digital experiences to invent new digital services and promote the "African tech" ecosystem.
- Develop an African digital identification system, similar to the one implemented by India. Digital identity is at the very basis of a functioning digital economy.
- Strengthen the continent's cooperation with partner countries to bridge the digital divide and combat cybercrime.

Excellencies, Ladies and Gentlemen,

These are but a few introductory remarks, to kick-off this round table aimed at deepening the reflection on digitalization in Africa, by examining social and economic prospects, development strategies for an ecosystem conducive to digital innovation and fostering the development of talented African youth and the drivers enabling African companies to digitally transform and, in turn, integrate global value chains.

Thank you for your attention and I wish you every success in the works of this scientific encounter.