

WEBINAR-BASED KNOWLEDGE SHARING CYCLE - FIRST SESSION
17 OCTOBER 2023

THEME: Digitalisation in Private Sector Development in ACP Countries. The Intra-ACP Programmes Experience: How can digitalisation support PSD? How do Intra-ACP programmes support digitalisation?

Webinar organised by: OACPS Secretariat with the support of Business ACP

Facilitated by: Ms Yvonne CHILESHE, Expert Value Chains, Department of Structural Economic Transformation and Trade, OACPS



Introduction:

The OACPS Secretariat, with the support of Business ACP, developed a **Knowledge Sharing Cycle (KSC)** on successful initiatives implemented by the **Intra-ACP Private Sector Development (PSD)** programmes. The **KSC** consists of five webinar-based sessions each focused on strategic private sector key areas: (1) **Digitalisation**, (2) **Women Economic Empowerment**, (3) **Agri-business**, (4) **Green and Blue Economy**, (5) **Knowledge Management and Sustainability**.

The initiative responds to the needs of OACPS regions that wish to **strengthen** their **knowledge** on **key thematic areas affecting PSD**. The OACPS Secretariat has prepared a first screening of activities, projects and success stories developed by intra-ACP PSD programmes, implementing partners and PS actors on these key issues, publishing [Thematic Knowledge Bases](#) that gather relevant information on PSD in ACP countries.

The **first session** of the KSC took place on 17 October 2023. The session focused on **digitalisation in PSD** and the **experience** of the **Intra-ACP programmes in supporting innovation and new technologies in ACP countries**.

The session took into consideration **digitalisation as a driver of development in various PS areas**: post-crises recovery, agriculture, sustainable development, financial inclusion and fintech, access to finance and financial services.

Check the [Thematic Knowledge Base on Digitalisation](#).

Webinar Attendance: Some 50 participants joined the event online. The webinar brought together representatives of the private sector, public bodies, representatives of OAPS countries based in Brussels, as well as technical and financial partners who shared experiences and best practices with regard to Digitalisation in ACP countries.

Opening Remarks:



Mr Carl ELMSTAM, Science, Technology, Innovation and Digitalisation, Directorate-General for International Partnerships (DG INTPA), European Commission

“Global Gateway is being rolled out in a Team Europe approach with several partners including the private sector, which is key in achieving SDGs.”



The EU has set out a new global strategy to promote smart, clean and secure connections among **digital, energy and transport** sectors, and to strengthen **health, education and research systems** around the world. [Global Gateway](#) is the new strategy where **private sector is playing a key role**. This transformative package tackles the gap between infrastructure and finance. It connects the banks, the business community and EU Member States to foster development. **Digital and Green are the targets**. Concretely, to bridge the gap between infrastructure and finance, the EU can leverage innovative financial instruments such as the [European Fund for Sustainable Development EFSD+](#).

The **Digital Innovation Economy** is very important around the world. The EU, together with partner countries and private sector companies, are shaping the strategy together. For example, we are developing the flagship programme **African-European Digital Innovation Bridge Network**, or Digital Economy packages have been launched in Nigeria and Congo; the [AU-EU Digital for Development Hub](#) to support African institutions digital transformation; the [EU-LAC Digital Alliance](#) (Latin America and Caribbean).

PANEL DISCUSSION 1 – The Experience of Intra-ACP Programmes: How do Intra-ACP programmes support digitalisation?

Ms Yvonne CHILESHE: Digital Finance Solutions For Resilience ([DFS4Res](#)), implemented by the United Nations Capital Development Fund ([UNCDF](#)) aims at

deploying digital finance solutions to deepen **financial inclusion**, accelerate economic recovery from COVID-19 and **make economies more resilient to external shocks**.

- ⇒ Digitisation can reduce the impact of pandemics and crises and can stimulate and speed up the recovery process after a shock. ***What is the impact of digitisation on the recovery process after the Covid-19? What solutions to accelerate private sector digitisation in ACP countries to make these economies more resilient to external shocks?***



Mr Endashaw TESFAYE, Digital Finance Country Lead-UNCDF Ethiopia, Digital Finance Solutions For Resilience in ACP countries (DFS4Res)



Digitalisation has completely changed the world as we knew it. **DFS4Res** improves **digital finance policies** and regulations and **strengthens digital finance ecosystems**, in particular to support **women and youth**. DFS4Res works on regulations and digital financial solutions in different countries, **adapting to local needs also based on the level of digitalization**. For example, some countries need to introduce regulations to expand mobile money services and other countries, that already have regulations, need technical assistance to implement digital solutions.

DFS4Res highlights that **large-scale digital financial solutions** can have a **massive positive impact** on financial ecosystems. Digitalisation, in fact, is able to minimize the disruptive effects that a crisis or external shock have on the economic system and PS, as happened during Covid-19. For example, in Ethiopia, **DFS4Res** supported **MSMEs to open online sales** and **sell their products during the pandemic** also on internet. **DFS4Res** works on policies and regulations because they create opportunities, but the programme also works on the ground to upskill MSMEs and consumers to use digital financial tools.



The **DFS4Res initiatives** also support **Caribbean** countries in the implementation of fintech solutions and, in the **Pacific**, the programme works with service providers and regulators.



Sharing the Local Experience - ETHIOPIA: Ms Kidist ZEGEYE, Managing Director, Highlight Trading

“Thanks to the support of DFS4Res and the use of a digital tool, we are able to get better visibility of agent's performance, provide them adequate support, increase liquidity and increase revenue.”

Thanks to the programme, Highlight Trading launched a **digital agent management tool** in Ethiopia, a virtual platform and an application. We are one of the largest agent aggregators of the country, however we did not have tools to manage our agents and we were not digitalised yet. To support users to practise the digital agent management tool, we opened a call centre to guide them and to **collect data**. Thanks to the **digitalisation of the training system**, 125 thousand new customers appeared in just over a year (150% of the target). With the digital tool we supported our 4012 agents exceed their 32% activity growth? rate. It is still challenging involving women, only 5%.

Ms Yvonne CHILESHE: It is very important to create a conducive environment that promotes digitalisation and, in this context, **improving the skills of MSMEs and consumers** to use digital financial tools also becomes crucial.

Ms Yvonne CHILESHE: Farmers' Organisations for ACP Programme ([FO4ACP](#)), implemented by the **International Fund for Agricultural Development ([IFAD](#))** increases income and improves livelihood, food and nutrition security of smallholders and family farmers in ACP countries. The programme supported the acceleration of digitalisation in agriculture.

- ⇒ The benefits of using digital tools in farming are numerous, including improved efficiency and productivity, reduced waste and environmental impact. ***How can digitalisation address the productivity, sustainability and resilience challenges that agriculture faces? How to support smallholders and family farmers to take advantage of digitalisation?***

Ms Antonella CIANCOTTA, Technical Specialist International Fund for Agricultural Development (IFAD), Farmers' Organisation for ACP (FO4ACP)



"It's important to match digitalisation with the capacity building process. This is what FO4ACP is doing with Regional Farmers' Organisations in each OACPS region."



During Covid-19, the challenges that farmers' organizations faced have increased. The **need for innovation** and the **digitalization of the agricultural system** became clear. For this reason, one of the pillars of the FO4ACP action is to support farmers' organizations, **smallholders and family farmers in the digitalization process**. Farmers' organizations have proven to be very flexible and collaborative in creating or adding **new digital services**.

Digitalisation means improvements in terms of **consultations, advocacy processes, e-Marketing**, and access to finance. **Digital services** are proving to be key for the resilient approach in terms of business initiatives, advocacy and **information dissemination**. **Knowledge sharing is key to support farmers' organisations**.

At national and regional level, an example of FO4ACP initiative regards **e-Marketing**. This tool has been essential for **selling products online**. Its development was boosted during the pandemic and is now expanding in terms of coverage. In **Burundi**, national farmers' organisations are working on **e-Cassava market application**; in **west Africa**, [Roppa \(Réseau Des Organisations Paysannes Et Des Producteurs De L'afrique De L'ouest\)](#) supports all its members in setting websites and elaborating digital products for **e-Marketing**; in **east Africa**, [EAFF \(Eastern Africa Farmers' Federation\)](#) has drawn its mobile platform called [e-Granary](#) for sharing information and data.

Sharing the Local Experience - ESWATINI: Mr Lwazi MAMBA, Executive Director, Eswatini National Farmers' Organization (ESNAU).

ESNAU connects farmers' needs to digital solutions. Most of our members are small farmers. We started implementing the FO4ACP programme in 2019. The support we needed was to improve **access to affordable agricultural inputs for our farmers and facilitate payments**. We created a partnership with the government



company in charge of implementing the government **subsidies programme** and we facilitated the use of **mobile money platform** to our members.

Another initiative regards the **ESNAU information system** which is very advanced in terms of digital services and uses **different digital tools** to support its members: online farmers and enterprises data, online payments modules, WhatsApp platform to connect farmers.

Ms Antonella CIANCIOTTA: ESNAU was the first to use a **digital agricultural platform**, also available offline for farmers. It is important to combine digitalisation with the process of developing user digital skills.



Sharing the Local Experience - PACIFIC: Pacific Island Farmers Organisation Network ([PIFON](#)) and the work carried out on digitalisation in agriculture as part of FO4ACP. [Click here to watch the video](#)

The video showed how the programme **FO4ACP supported smallholders and family farmers by developing virtual platforms, apps and virtual communities**. These instruments facilitate access to market, accelerates sellers and buyers matching, and speed up access to online services. The virtual platform is called [TraSeable](#), a one-stop-shop for Pacific farmers and agribusinesses.

Ms Yvonne CHILESHE: [DIRECCT](#), implemented by Agence française de développement ([AFD](#)) and the Belgian development agency ([Enabel](#)), supports connectivity and digitization of health systems, education and small business actors to better cope with current and future shocks.

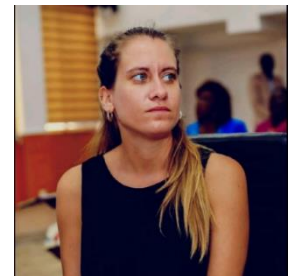
- ⇒ Digitalization has played an important role during the covid-19 health crisis in helping actors in the health, education, and private sectors remain resilient and continue to provide essential services to the economy. ***How does this apply in the context of countries included in the programme?***



Mr Eric MOUNIER, Communication and Capitalisation Manager, Agence Française de Développement (AFD), Digital Response Connecting Citizens (DIRECCT)

DIRRECT focuses on three main areas of intervention: education, healthcare and entrepreneurship. The programme is active in **55 countries with 18 projects**, and it is implemented by **AFD** and **ENABEL**. We focus on different sectors, with gender as a horizontal common theme. During the Covid-19 emergency the **digitalization process was accelerated like never before** in response to the crisis. Digitalisation had an **enormous impact on farmers for accessing markets** and on **students for pursuing academic activities**.

Sharing the Local Experience – WEST AFRICA and CARIBBEAN: Ms Emilie GRIFFITH, Project Manager MSME digitalization project, Expertise France



ACP DIGI is one of the 18 projects. The programme is active in Cote d'Ivoire, Ghana,

Togo, Benin, and 15 countries in the Caribbean. **ACP DIGI** supports private sector to strengthen its capacities on digital technologies. The programme's activities have been mainly three: the **diagnosis of MSME digital maturity** and needs, the awareness raising about **digitalization for MSMEs resilience**, and **capacity building activities and training on digital tools**.

In **Côte d'Ivoire**, the programme developed diagnosis and **trainings on digital tools**, involving 1500 entrepreneurs. The programme also created **digital centres** in regions outside of the economic capital, Abidjan.



In **Ghana**, the programme produced the **digital needs assessment**, involving 1000 entrepreneurs and supporting them in building **digital skills and digital transformation plans** for their company.

In **Togo**, the programme developed a **statistical and needs analysis** about the digital maturity of MSMEs. Activities and awareness campaigns on the advantages of **digital skills and tools** have involved 500 entrepreneurs.

In **Benin**, the diagnosis of digital maturity produced a **National strategy for MSMEs digitalization**. The capacity building workshops on digital skills and tools involved 1000 entrepreneurs. The programme supported MSMEs to create websites, developed a digital management app “E-Tchité gestion”, and digital centres in Cotonou.

In the **Caribbean region**, the programme organised trainings for MSMEs to improve digital skills involving 200 firms, 50% women owned businesses. The needs analysis in the field of e-commerce for MSMEs produced trainings on e-commerce provision of access and on-boarding services for 40 business support organisations (BSOs).

Exchange between panellists and participants

Mr Eric MOUNIER (AFD): Connectivity is a challenge for all programmes. Every digital system can only be implemented where there is access to the network. These technical aspects require financial support to exist. ***How can programmes ensure the sustainability of their actions even after their end, especially regarding these technical aspects? What happens after the end of a programme when funding is not available anymore?***

Ms Yvonne CHILESHE (OACPS): The issue of programme ownership is very important. During the **design phase of the programme, it is crucial to dialogue with recipient governments** and have their commitment to ensure that the government takes measures to continue the activities and benefiting from the results of the programme.



Mr Endashaw TESAYE (UNCDF): During the implementation of initiatives, the programme works together with local counterparts **to secure ownership and sustainability**. By working closely with governments, the programme focuses on real needs. During implementation, partners are carefully selected to ensure their involvement in the business and not just the programme lifecycle. That is how a programme can **achieve expansion of its impacts beyond its lifespan**.

Ms Antonella CIANCOTTA (IFAD): The issue of **sustainability** is one of the major challenges in programme **design process and exit strategy**. In the context of the programme, there are two different approaches suggested: (i) **Involving beneficiaries** in the decision-making process for the proposed activities. One of the goals of the programme is to strengthen the capacity of local organisations to interact with governments and local institutions. (ii) As Yvonne correctly highlighted, it is important to

have the **involvement of governments to become solid partners**. That can be accomplished through **synergies activated at local level**. Also, when a programme is designed with a “for-profit logic”, the beneficiary has leverage to continue the programme. An example comes from **Burundi**, where the state created the **Cassava limited company**.

Ms Alessia ROGAI (Business ACP): The COVID-19 pandemic has underscored the need for more robust digital systems across every economic sector. The digital transformation brought about tremendous and positive changes and regulations play a central role in advancing digital financial inclusion. ***How to ensure that the regulations keep up with the rapid pace of innovation? How to support regulators to have the necessary tools to keep up with digital innovation?***

Mr Endashaw TESFAYE (UNCDF): UNCDF has people on the ground. In Ethiopia, we brought together bankers and fin-tech to discuss challenges and problems. UNCDF works closely with the regulators.

Mr Anthony BRAND (OACPS): Another important issue is the impact digitalisation and Artificial Intelligence (AI) have on supply chains. They improve their efficiency, transparency and traceability. It is clear that digitalisation and IA impact supply chains in multiple ways. ***What are the most positive impacts with regards to the integration of ACP countries in global supply chains?***

Ms Antonella CIANCIOTTA (IFAD): FO4ACP’s target group is small farmers in remote areas. The global value chain is not what the programme is looking at integrating at the moment. We look at regional value chains. **Private-Public Partnership is the promoted model.**

PANEL DISCUSSION 2 – How does Digitalisation support PSD? Practices, Opportunities and Challenges

Ms Yvonne CHILESHE: Mark, a Software Developer, built up **ZED** to become a globally recognised software agency, building technology for some of the biggest brands in the blockchain world.

- ⇒ One key way that fintech can drive financial inclusion is through digitisation. By digitising financial services, fintech can reduce the cost of providing services and make them available to a wider range of people. The rapid expansion of fintech

activities is widely viewed as having the potential to alleviate financial frictions. ***What is the challenge of the development of fintech? Are there regional (Caribbean) initiatives that aim to promote inclusive growth and poverty reduction through digitalisation towards sustainable financial inclusion?***



Mr Mark Pereira, CEO, ZED - Trinidad & Tobago

"When it comes to private sector fintech development, there is a need for education, awareness raising and need for capital injection in young businesses in the Caribbean."

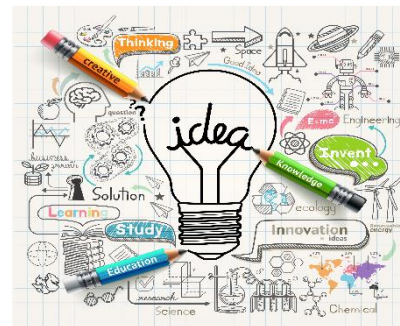
We should build an **ecosystem around technology**, and we need to bring people into an inclusive environment. Unfortunately, governments are not focused on digitalisation and there is a lot of bureaucracy and lack of funds we find in the progress. In the **Caribbean**, there is the age gap when it comes to understanding technology. Therefore, **education is to play an important role**. What we need to achieve, is to have younger companies to go through. **Industry needs changes and pressure towards innovation.**

Exchange between panellists and participants

Mr Anthony BRAND (OACPS): AI raises some issues such as risks to privacy, threats inherent in digitalisation with hackers using computer worms etc.; ***thus, to what extent are private sector operators liable to damage (e.g. reputational damage) caused by AI that misfire?***

Mr Mark PEREIRA (ZED): The accountability of the private sector and the need to **focus on consumer** protection are important considerations in the unfolding of digitalisation.

Mr Pierre BERTHELOT (Business ACP): ACP countries need to master digitalisation so as not to stay behind. In delivering on its mandate, B-ACP wants to know more about what is happening on the field and be able to present the activities of the intra-ACP programmes more broadly. To remain in the digitalisation race, ***what are the elements of a policy that would help OACPS member states?***



Mr Mark PEREIRA (ZED): Regulation should target public sector and society. Capital is lacking to support digitalisation. **We need to invest in innovation.** Policies need to focus directly to communities and ecosystems. Also focus to benefiting MSMEs as those are driving the **diversification and democracy to OACPS.** The approach of policy development should not be top-down, but take the needs of the private sector and MSMEs into account.

Mr Eric MOUNIER (AFD): My final words would be to highlight the importance of internet access, training and information; the need of vocational training to master the new digital tools, and the importance of using the correct tools to reassure the validity of the available information.



Closing remarks:



Mr Junior LODGE, Assistant Secretary-General, Department for Structural Economic Transformation and Trade (SETT) – OACPS

"Although there are countless uses of digitalisation in OACPS countries, we are facing challenges such as lacking regulatory frameworks, connectivity and availability"

One of the recurring themes of the OACPS PSD Strategy is **knowledge management.**

We recognised that our work has concentrated on **agriculture** and value chains, financial inclusion, climate change mitigation, **digitalisation, women** economic empowerment and others.



For that reason, today we are starting this knowledge management exercise focusing on digitalisation and its significant impact on PSD. Digitalisation offers many opportunities to speed up economic growth, innovation and job creation. There are many uses of digitalisation in OACPS countries, but we are still facing challenges such as lacking regulatory frameworks, connectivity and availability.

Today's workshop is part of a knowledge management cycle consisting of 5 sessions, each specific to a key area of the PS: Digitalisation, women economic empowerment, agribusiness, green and blue economy, knowledge management and sustainability. The **knowledge sharing cycle responds to the needs of OACPS regions** that wish to strengthen their knowledge on these key issues towards sustainable development.

We look forward to your participation in the next sessions of the **OACPS Knowledge Sharing Cycle**.