

Leveraging the Six Key Transitions: Investment Pathways to Achieve the SDGs Locally - Digital Government and Smart Cities

Achievements, Challenges, and Financing
through Public-Private Partnerships

Abiodun Essiet- Senior Special

Assistant to the President of

Nigeria on Community Engagement

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Introduction

In this session, I will be exploring the opportunities and challenges of implementing digital government and smart city initiatives locally in Nigeria, focusing on achievements, challenges, and financing through public-private partnerships.



Digital Transformation and Inclusions

Digital transformation involves integrating digital technology into all areas of society. Inclusiveness ensures that everyone, especially the most vulnerable, benefits from these changes. Key areas of impact include:

- Healthcare
- Social protection
- Education
- Job creation



Achievements in Digital Transformation

- Globally, many digital transformation initiatives have shown positive results. In Nigeria's capital, The Abuja Smart City Project aims to make governance, transport, tourism, health, business, and homes smarter through strategic stakeholder collaboration.
- The AbjRID smart card initiative will offer biometric-based identity cards with e-payment functionalities, providing security, financial, and mobility benefits.

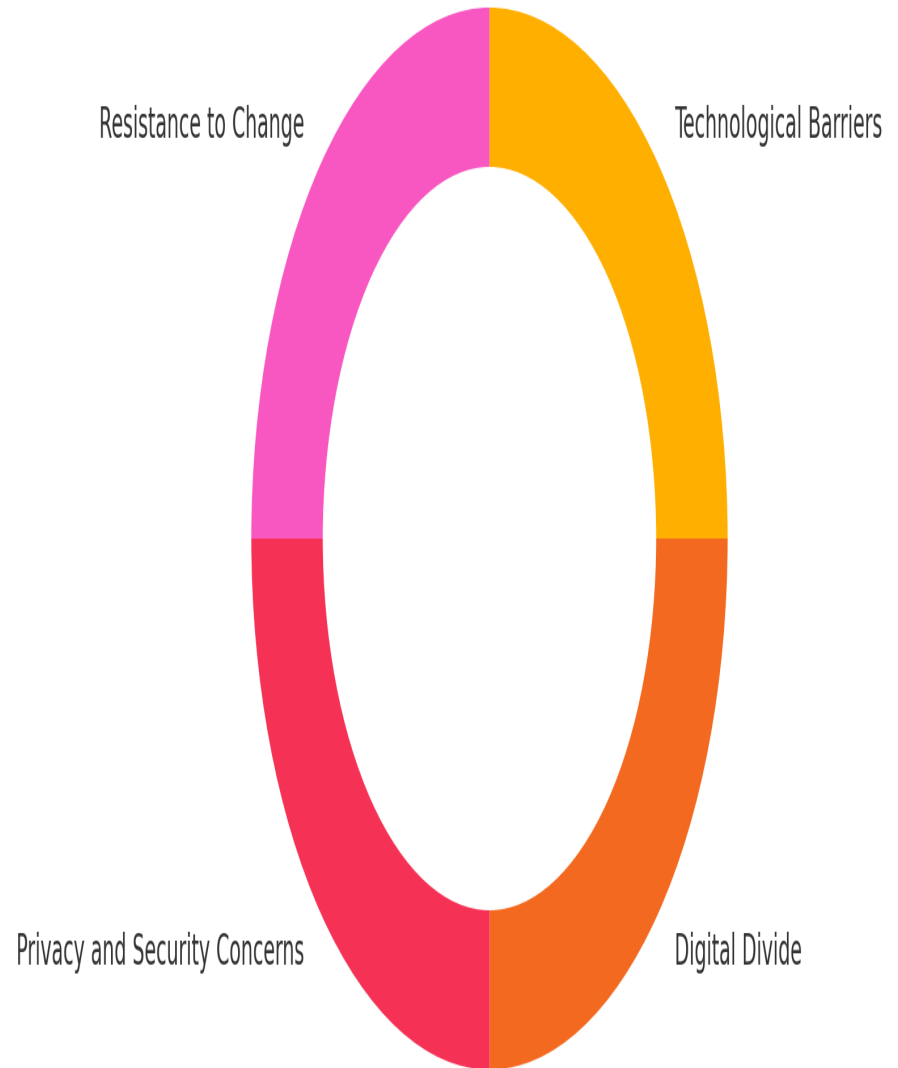


Challenges of Digital Transformation

Factors Affecting Technology Adoption

Technological barriers: These include outdated infrastructure, limited access to high-speed internet, and insufficient technical expertise.

Digital divide: This is a significant challenge in digital transformation efforts, as it exacerbates existing inequalities. Those without access to digital tools and the internet are left behind. Bridging this gap is crucial to ensure that the benefits of digital transformation are inclusive and equitable, enabling all members of society to participate fully in the digital economy and society.



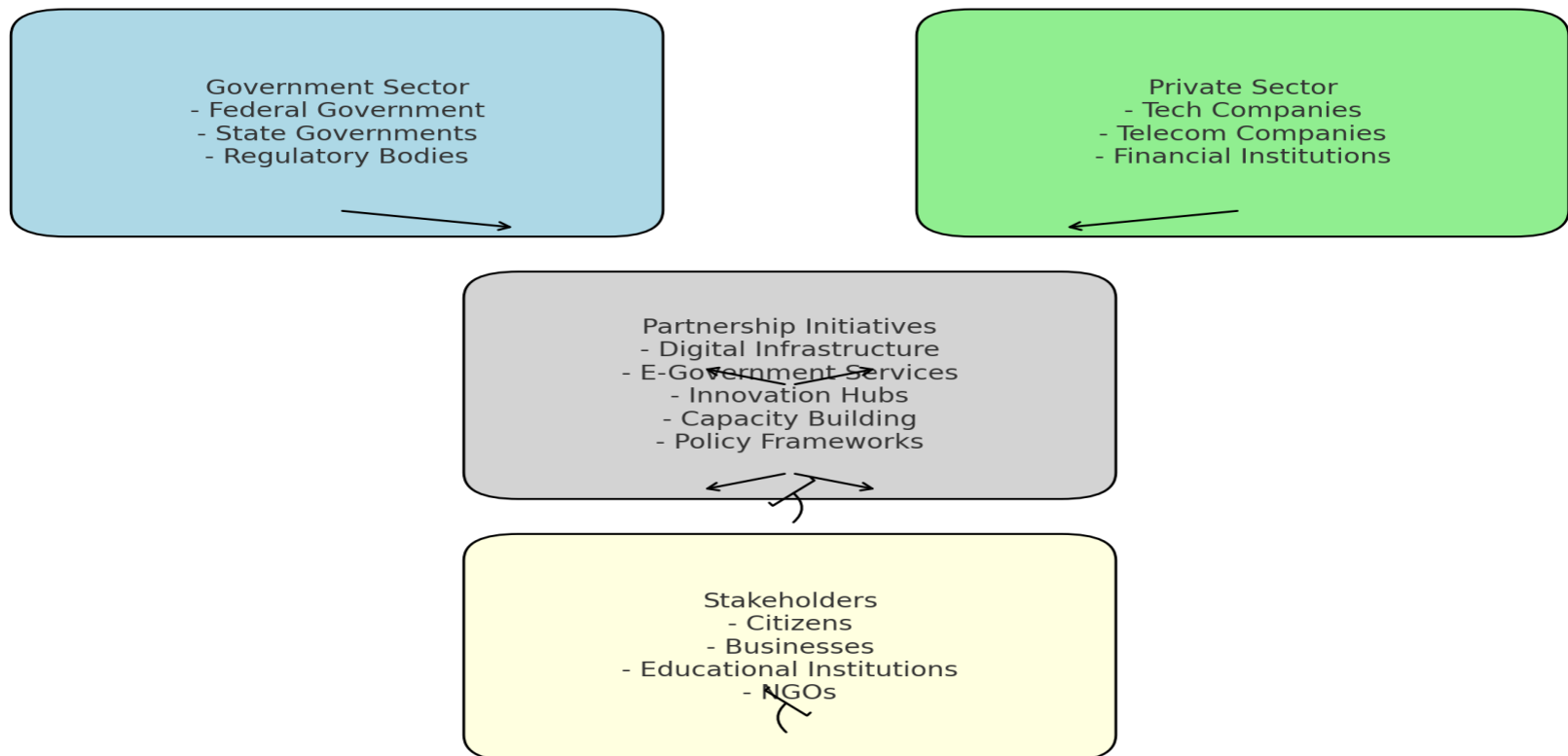
- **Privacy and security concerns:** As organizations digitize their operations and services, they must handle vast amounts of sensitive data. Ensuring the protection of this data from cyber threats, breaches, and unauthorized access is crucial. These concerns necessitate robust cybersecurity measures, continuous monitoring, and strict privacy policies, which can be complex and costly to implement.
- **Resistance to Change:** It arises from employees' fear of the unknown, concern over job security, and discomfort with new technologies. This resistance can slow down the adoption of digital tools, disrupt workflows, and decrease productivity.

Financing Challenges for Digital Transformation

- Digital transformation projects require substantial funding. Traditional funding sources like government budget has proven over the years to be insufficient, necessitating innovative financing mechanisms and strong public-private partnerships.
- Players in the private sector willing to commit resources for this cause are very limited because of Long Payback Periods and uncertain Return on Investment

Public-Private Partnerships (PPP)

- PPPs combine public and private resources to achieve common goals. They are vital for financing digital transformation, providing expertise, and sharing risks.



Abuja Smart City Project: PPP Model

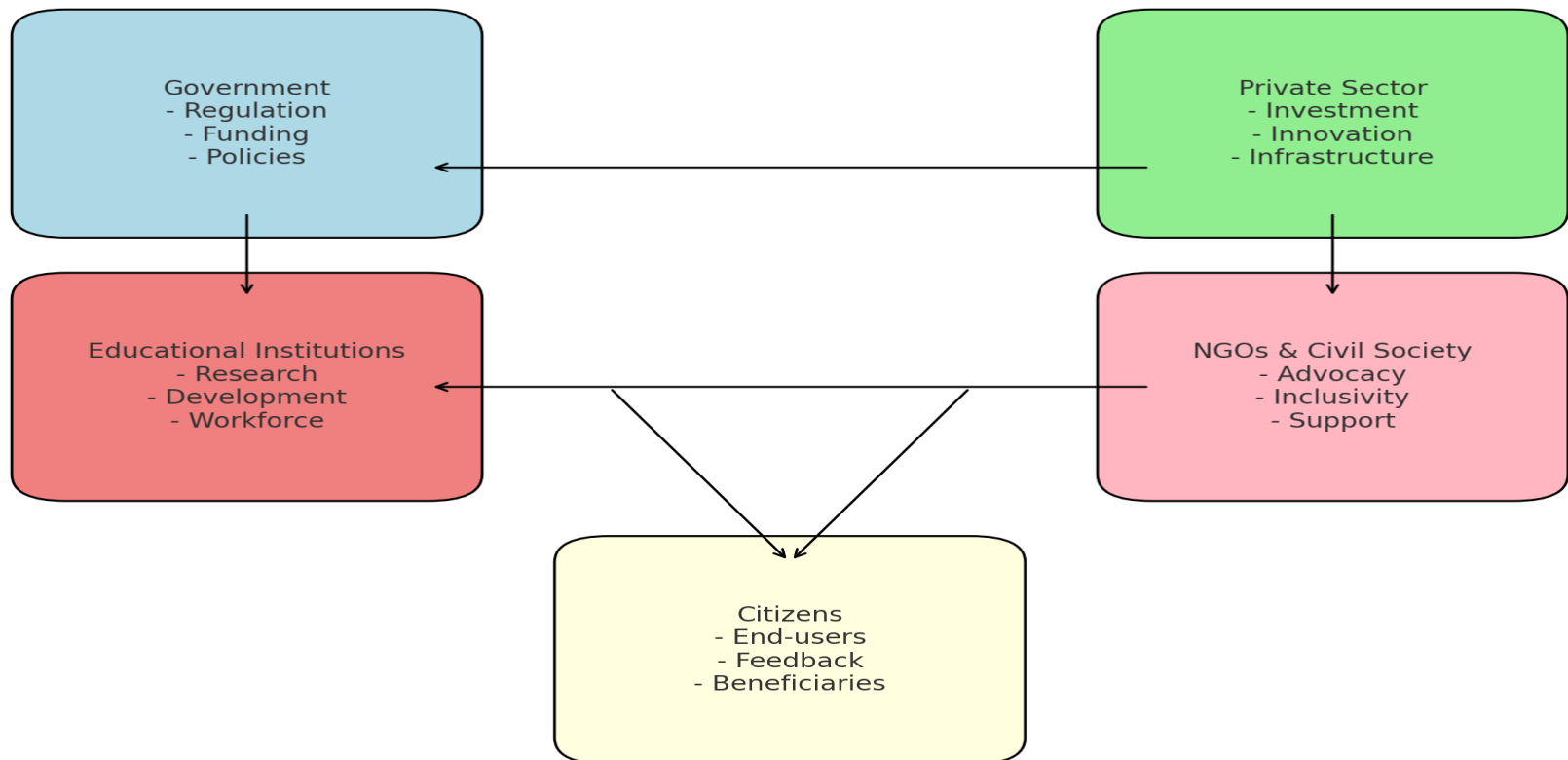
- The Abuja Smart City Project is a PPP between the Federal Capital Territory Administration and Harvel Corporate Concept, a private firm. This collaboration when implementation begins this month, aims to introduce a multipurpose smart card for residents, enhancing security, financial services, mobility, and access to government essential services which includes health and education

Overcoming Financing Challenges

- Attracting investment requires a strong business case, ensuring financial sustainability, and scalability. Locally in Abuja, we are building trust with investors and demonstrating long-term benefits.

Multi-Stakeholder Partnerships

- As government, we are actively collaborating with various stakeholders, including private sector, and civil society for the success of digital initiatives.



Insights and Recommendations

- Implementing the SDGs by Subnational Governments needs to strengthen the Administrative Capacities of local government
- A participatory Quality Management System that generates dynamic and timely data to support the strengthening of endogenous capacities to achieve SDG is needed.
- Establishing and strengthening clear governance structures and guidelines for SDG implementation
- Leadership and political will to support inter-agency collaboration for SDG implementation

Conclusion

- Digital transformation is essential for achieving the SDGs. Nigeria is Investing in and supporting digital initiatives through effective partnerships and innovative financing that will drive transformative change.
- Smart City solutions need to be respectful of local traditions, and local contexts. The end goal of smart city initiatives should not be to replicate another city's success but to integrate these into the local environment.
- Enhancing governance capacity and strengthening public servants' awareness of their active role in contributing
- “Smartness” is not just about installing digital interfaces in traditional infrastructure or streamlining city operations. It is also about using technology and data purposefully to make better decisions and deliver a better quality of life.” - McKinsey

Q&A

- Questions?