Future of Governance and New Mindsets, Knowledge and Competencies fit for the 21st Century

Key Messages from Presentations

Keynote Session: The Future of Governance and Key Drivers of Change

Emerging trends and drivers of change in governance

- 1. Global, national, and subnational governance provide frameworks and a system of values, structures, and mechanisms among all actors in society.
- 2. Public institutions are essential to achieve all the SDGs.
- 3. We are living in an increasingly VUCA world resulting in multiple crises that are the manifestation of, and contributors to, inadequate governance systems.
- 4. There are many identified drivers of change in the political, social, economic, environmental, and legislative aspects that shape the future of governance, such as declining trust towards institutions, increasing polarization, growing inequalities, acceleration of innovation and technological change, and climate change.
- Countries need to (1) rethink governance systems based on a new social contract, (2) utilize strategic foresight and engage people to have a collective vision of the future, and (3) focus on addressing the needs of vulnerable groups and preserving the planet (inclusion and leaving no one behind).

<u>Principles of Effective Governance for Sustainable Development and the Critical Role of</u> <u>Subsidiarity in Promoting Transformational Change</u>

- 1. Public sector reform is needed to implement the SDGs. The Principles of Effective Governance for Sustainable Development, developed by UN CEPA, provides practical guidance, including operationalized strategies, to countries that face broad governance challenges associated with implementing the 2030 Agenda.
- 2. The Strategy Guidance Notes have been developed by DPIDG/UN DESA, which include case studies, good practices, and opportunities.
- 3. Localizing the SDGs is essential to leave no one behind and implement effective public policies that can respond to the difficulties of territories and maximize resources. However, there are many administrative, fiscal, and political challenges, including lack of information and awareness, prioritization challenges, and difficulty working across levels of government and departments.
- 4. Moving away from working in silos, improved collaboration, coordination, and communication are needed to reach a whole-of-government and society approach.
- 5. The curriculum on governance for the SDGs provides an understanding of sustainable development issues to enhance governance capacities, which is a useful training toolkit supporting local governments.

The Quintet of Change and Key Mindsets and Competencies Needed for Governance Transformation

Mindsets (behavioural science)

- 1. Mindsets consist of beliefs and attitudes, which determine how we interpret and interact with the world, respectively. Beliefs and attitudes are influenced by values. Mindsets affect behaviors and decision-making.
- 2. Institutional change involves changing the mindsets and values of public servants to reorient behavior in order to attain goals. Changing mindsets and adopting new mindsets is needed to achieve institutional effectiveness, accountability, and inclusiveness, which results in effective SDG implementation.
- 3. Governments face complex issues, involving many actors, conflicting interests, and unclear solutions. There are biases that often influence policy development, including fixation, confirmation bias, groupthink, "not invented here," and the spotlight effect. Public servants navigate complicated dynamics, needing to explore new possible futures, keep the big picture in mind, be reflective and critical, and make decisions in the face of uncertainty.
- 4. New mindsets go along with new competencies, which means that governments need to invest in retooling public services.
- Changing mindsets involves the following steps: (1) identify, (2) realize, (3) understand,
 (4) adopt strategies, (5) change beliefs, and (6) transform behaviors. There are successful examples of applications in Pakistan, Bolivia, Guatemala, and Ecuador.

Innovation

- An innovation mindset is fueled by the belief that human capacities are not fixed and that they can be improved. The attitudes include risk-taking, eagerness to experiment, and problem-solving. The competencies are strategic problem-solving, creativity to actively improve, and innovation to value new solutions.
- 2. Resistance to change, aversion to failure, and challenges to adopting user-centric approaches all prevent adopting an innovative mindset. Having a growth mindset is needed to learn and improve, rather than a fixed mindset stagnating growth.
- 3. The capability to innovate varies between countries, as some are innovating but many face challenges to effectively leverage digital technologies.
- 4. The five main principles for innovation in public service delivery are access, quality, inclusion and responsiveness, people-driven and personalized services, and transparency and accountability of service delivery.
- 5. The six key steps in designing a roadmap for innovation include a holistic approach, systems thinking, strategic framework, stakeholder analysis, strategy, and action.

Digital Government

1. Providing countries with a methodological road map, the new digital government model framework (DGMF) emphasizes the importance of leveraging digital technologies to enhance public service delivery, promote inclusivity, and achieve the SDGs.

- 2. E-government development has improved at the global level, with the average EGDI value reaching 0.64. Average EDGI values improved in all regions. Member States with very high EGDI comprise the largest share, however, countries with low EGDI increased due to geopolitical conflicts and post-conflicts. Africa remains below the global EDGI average.
- 3. In Africa, 84.4% of the population lags behind in e-government development (down from 94.6% in 2022), especially in e-participation. Urban areas benefit from advanced digital infrastructure, but rural areas lag behind. South Africa and Mauritius became the first African countries to join the very high EGDI group.
- 4. The main challenges to Africa in its digital transformation journey include the urban-rural digital divide, cybersecurity threats, talent development, competition instead of cooperation, and the responsible use of AI.
- 5. Recommendations for African countries include investing in expanding digital public infrastructure, particularly in rural areas, offering digital literacy training, and structuring "digital inclusion by design." Building digital skills is valuable to create a professional workforce capable of driving digital transformation. Encouraging innovation and entrepreneurship, promoting public-private partnerships, strengthening cybersecurity, leveraging international cooperation, establishing robust monitoring and evaluation frameworks, and adopting a responsive and ethical approach to the use of AI is necessary to support Africa's successful digital transformation.

Systems Thinking and Strategic Foresight

- 1. Traditional problem-solving is not sufficient to address the needs of the 21st century. Public institutions must improve their collaboration and think in the long term, since they mostly think in the short term due to the election cycle process.
- 2. In 2024, elections in more than 100 countries, and young people negotiate and respond through social media. Networks with non-state actors are key agents in triggering change.
- 3. Strategic foresight is an organized, systematic way of planning and thinking beyond the expected, to work towards a common desirable future.
- 4. Strategic foresight helps with risk management (such as crisis preparedness and instilling an agile mindset), strategic development planning, organizational purpose/continuity, innovation, sector/community vision and engagement, leadership, and intergenerational equity by utilizing visioning, backcasting, horizon scanning, and wind tunneling.
- 5. Systems thinking views complex phenomena as interconnected systems rather than isolated components, which can be used for effective decision-making by improving coordination among organizations/interests to form a coherent policy fabric.

Data Governance

- 1. Governance is linked to the data lifecycle. Policies aimed at establishing public data governance frameworks often lack a holistic perspective, and there are limitations to activities related to data processing.
- 2. A proposed new model for data governance aligns with institutional structures and public policy frameworks, adopts a technical and ontological approach, fosters trust, and enhances information sharing with the private sector. Colombia has developed an innovative public-private collaboration model of data governance.

- 3. The main recommendations for data governance include building on existing policy initiatives, promoting coordination beyond technical aspects, adopting an ontological framework, leveraging data trust models, and innovating governance models that respond to various objectives.
- 4. Diverse governance models can coexist. Frameworks such as the Data Sandbox Platform, provide access to the latest data science technologies to innovate the public sector and create a shared space for pilot projects. Data trust fosters social benefit, with collaboration among organizations by establishing trust through well-defined rules, safeguarding data privacy, and ensuring confidentially.
- 5. It is essential to envision data governance systems that are flexible, agile, and adaptable to the rapidly evolving realities of data usage.

Challenges and Opportunities for Transformational Change, Mindsets, and Capacities needed in Governance at all levels in Africa for the 21st Century

The future of governance for an Africa fit for the 21st century

- 1. All that matters is development since people hope for an ever-improving quality of life and well-being. It is all about the people, and only the people themselves can bring about the development they desire and deserve, which can be achieved through effective governance.
- 2. Currently, in Africa, there is an expanding security crisis, a shrinking participatory environment, escalating conflict, and deepening mistrust in democratic institutions.
- 3. Africa remains off-track in attaining the SDGs because government institutions have failed to work with accountability and inclusiveness.
- 4. There is an "African Continental Paradox" of pervasive poverty yet an abundant endowment. A holistic and integrated approach to governance is needed, with strong institutions driven by digitization.
- 5. The drivers of change can be seen from an external and internal perspective. External influences include social, political, economic, legal, technological, and cultural drivers. Internal influence stems from government institutions, including strategy, structure, processes, values and beliefs, and knowledge.

The six transitions and localization of the SDGs in Africa

- 1. Only 6% of the SDGs are on track to be achieved by 2030, highlighting the urgent need for transformative actions. Policy coherence must be bolstered since SDGs are linked to the work and mandates of local and regional governments.
- The GSDR, a critical 2023 report, describes the phases of transitions, including (1) escalating emergence, (2) acceleration, and (3) stabilization. Technological innovation has gone through all phases, and AI is currently in the emergence phase.
- 3. Key transitions are needed for food systems, energy, digital, education, jobs and social protection, and climate change. These transitions must be just and involve all stakeholders to mitigate the risk of creating winners and losers.
- 4. Food systems transformation involves a paradigm shift at all stages, addressing challenges like food price inflation, climate impacts, and conflicts in Africa. Additionally, shifting away

from fossil fuels to renewable energy can reduce energy poverty, reduce inequality, and foster economic growth.

5. Achieving SDG localization requires planning with strategic foresight to drive shifts across policy and regulatory frameworks. For example, food systems are critical and need transformation at the local level, focused on increasing the supply of and access to fresh food.

Exploring Governance Futures and Drivers of Change in Africa

- 1. The future of governance is complex, so we need to utilize useful and creative tools to help understand changes.
- 2. Tools such as an interactive dashboard, co-occurrence network construction, and AI assistant, help analyze data, identify patterns, and suggest actionable insights on the future of governance.
- 3. Analyzing survey responses through this data analysis methodology can identify outliers and potential gaps, especially highlighting the drivers that were most and least picked by participants.
- 4. The AI assistant can extend conclusions by analyzing survey responses, providing individual examples, and rejecting or supporting theories.
- 5. Data analysis is needed to better understand the future.

The Critical Role of Transformational Leadership in Africa

- 1. Transformational leadership is essential to overcome Africa's colonial history, drive largescale development, and align national strategies with global goals like Agenda 2063.
- 2. High-quality leaders must address sustainable development, corruption, diversity, technological advancements, and public trust.
- 3. Transforming values like equity and respect for diversity is essential to create unity among Africans. Rather than tolerating each other, we should focus on loving each other.
- 4. Leaders must leverage community potential; engage all actors; align development plans with national, regional, and global goals; prioritize transparency; and foster collaborative visions to achieve sustainable transformation. Several countries in Africa, such as Rwanda and South Africa, have transformed under effective leadership.
- 5. Leaders need soft skills such as collaboration, anticipation, and communication.

Opportunities for Transformational Change in Africa

- 1. Africa has opportunities in its vast resources, young population, and diverse environment, yet faces challenges like high unemployment, poverty, and low literacy rates.
- 2. Transformational change involves a fundamental shift in approaches, often challenging underlying value systems, to deliver improved outcomes.
- 3. Key opportunities for change include digital transformation, competency development, economic growth, and promoting social inclusion, particularly in the education and health sectors.
- 4. Visionary leadership, human capital development, and infrastructure investments are prerequisites for transformational change.

5. Societal empowerment, improved quality of life, and increased innovation and creativity are among the benefits that come with transformational change.

Roundtable Discussion on real-world experiences on shifting mindsets for innovation, digital, strategic foresight, and data governance

Importance of Multisectoral and Multifunctional Cooperation for Enhancing Digital Transformation

- 1. Using the Western Balkans as a case study, AI revolutionizes public service delivery, enhancing transparency, efficiency, and crisis management.
- 2. Cross-sector collaboration enhances AI adoption readiness by more easily overcoming challenges.
- 3. The key findings of the Western Balkans study found that the main barriers and challenges to digital transformation included fragmented governance, data privacy, and resource constraints.
- 4. Collaboration improves resource optimization, unified standards, and shared expertise. A holistic framework prioritizing societal and environmental wellbeing, while integrating ethical and sustainable AI practices and the use of other ICT technologies is needed.
- Recommendations include building trust, strengthening digital skills, and investing in interoperability. Specific strategies ranging from short- to long-term include digitizing public records, promoting international partnerships for shared learning, and aligning AI policies with EU standards.

Innovative Practices for Digital Government at the Local Level (LOSI Presentation)

- 1. Municipalities are closer to people, since 56% of the world's population lives in cities with the total number expected to grow significantly (4.4 billion to 6.7 billion) by 2050. The rate of urbanization is expected to be higher in Africa, and urban residents are twice as likely than those in rural areas to use the Internet.
- 2. The Local Online Service Index (LOSI) scores improved in 2024, with Europe leading. None of the most populated cities in Africa has attained a very high LOSI classification.
- 3. Populous cities tend to perform better.
- 4. LOSI indicators include institutional framework, service provision, content provision, eparticipation, technology, and e-government literacy. Services provision and participation fare the worst among the indicators in city e-government portals. Another survey, the Local Government Questionnaire (LGQ), focuses on strategic areas of digital policy aimed at developing effective, accountable, and inclusive local public institutions and governance.
- Key policy recommendations for improving local e-government in African cities include (1) bridging the urban-rural digital divide, (2) enhancing digital skills and capacity building, (3) developing comprehensive local e-government portals, (4) adopting systems thinking and strategic foresight (5) focus on least developed countries (LDCs), and (6) leveraging international collaboration and best practices.

Multi-Stakeholder Collaboration as a Tool for Promoting Data Governance

- 1. Data governance involves data collection, processing, sharing, storage, and security.
- 2. In the case of Egypt, fieldwork insights show there are many challenges in collecting data in PHCs (public health centers) due to cultural barriers, lack of awareness, and lack of proper data collection mechanisms.
- 3. Data processing in PHCs in Egypt has other issues, including low data quality and the inability to edit data errors, since only the Ministry's Information Center can modify data.
- 4. No data sharing occurs in PHCs or private health entities, which limits data governance. Collaboration and building capacities for data and AI practices are needed.
- 5. Building trust in data systems is critical, which involves protecting data, maintaining privacy, establishing transparent and inclusive processes, and maintaining inclusive stakeholder engagement.