## 22<sup>nd</sup> session of the Committee of Experts on Public Administration

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## "Digitalization and Public Sector Innovation"

Our world is faced with numerous formidable challenges in the contemporary times. Among the challenges the most prominent one with impact that cross-cuts other critical areas, is 'Economic downturn or meltdown' as a corollary of a series of financial crises, wars, the pandemics, natural and man-made calamities caused by climate change, inflation, the vicious cycle of the external and internal debts and so on.

In the overall context of the challenges being added to the global basket of crises, the reported global market downturn has wiped out 13 trillion dollars off world stocks during June 2022, mainly in the developed economies. But the trickle-down effect on smaller economies would be inevitable.

Latest worrisome news should be the collapse of Silicon Valley Bank and expected contagious effect across the banking sector.

The analyses assessing the impact of the pandemic, effects of climate change and other factors have indicated that yet another recession of the magnitude of 1930s Great Depression and 2007-8's subprime mortgage crisis, is in the offing.

Emerging markets and developing economies with large foreign borrowing and their dependence on external financial support would be in double trouble as global recession looms large over the developed economies that may limit the extent of support extended by them.

The latest developments in the geo-political and geo-strategic context fuelling trade war and competition for dominance should also be of global concern. Conflicts, irrespective of its type are untenable, particularly, in terms of human sufferings and adverse economic impact.

Coming years will be very difficult. Therefore, preparedness will be an imperative. The comity of nations and international bodies will have to come together to avert adversities and address challenges as the international community stood in solidarity on a number of occasions earlier, latest such occasion was the challenge posed by the pandemic COVID19. The pandemic brought the world together. The people of various origins helped humanity with ultimate sacrifices. The humane gesture that countries with technological knowhow, expertise and resources showed with their generosity towards those who needed support, was heartening and reassuring.

There is no denial of the fact that 'where there are challenges, there are opportunities.'

COVID19 challenge also offered opportunity in the shape of innovations.

When COVIS19 hit the world, among the setbacks were the cancellation of orders of textile products. It posed an existential threat to the industry. But the manufacturers converted the adversity into opportunity. They adapted to making protective gears (PPEs) with a range of varieties. The challenge also led to the innovations that led to the development of UV sanitizers, production of diagnostic kits, preventive vaccines, treatment equipment and protective commodities.

Phenomenon of digitization gained momentum due to COVID19. According to the country studies, industrial sector intensified the use of digital technologies. Surveys conducted in the UK recorded that 75% of the employment sector moved to the remote working while a third invested in new digital transformation. Likewise, surveys in Brazil and Canada have also seen businesses transforming to eCommerce as the way forward (CEPA 22<sup>nd</sup> session recommendation in para 28 may find its relevance in my points in the paras above).

However, in developing economies, there is a need to create awareness among policy makers in the governments for framing conducive policies to encourage and support investment in innovations, help skill development, establish connectivity and coordination among Educational & Employment sectors.

In the context of digital technology applications, such as digital or cryptocurrency, while the benefits may dwarf the downside, the implications need to be taken into account, nonetheless. Implications in terms of vulnerabilities, digital divide, technological gap between the haves and haves not, knowledge gap, disparity in terms of infrastructure and rendering of human resource redundant are some notable ones. These definitely require expertise, brainstorming, policy initiatives, and global approach to address them.

E-governance and digitalization can revolutionize the public sector, transforming the way government services are delivered to citizens. The impact is significant with increased efficiency, transparency, and accessibility being some of the key benefits.

Citizens may access government services online from the comfort of their homes, eliminating the need to physically visit government offices. This will not only save time but also reduce the cost of accessing government services. Additionally, e-governance would improve the quality of services offered by the government, with real-time tracking of service delivery and reduced official processes. Digital transformation will also enable government departments to make data-driven decisions, leading to better policy formulation and implementation.

The impact of e-governance and digital transformation in the public sector can be gauged from the following assessments:

- 1. A study by the United Nations found that e-governance initiatives can lead to a 40% reduction in corruption.
- 2. A report by the World Bank found that e-governance initiatives can lead to a 10-20% increase in citizen satisfaction with government services.
- 3. A report by the European Commission stated that e-government services can lead to a 75% reduction in processing time for government services.
- 4. According to a report by McKinsey, e-government services can reduce government administrative costs by up to 20%.
- 5. According to a study by Deloitte, digital transformation can lead to a 20-30% increase in productivity and efficiency.

Overall, these statistics indicate that e-governance and digital transformation can have significant positive impacts on the public sector, leading to increased efficiency, transparency, and citizen satisfaction (CEPA 22<sup>nd</sup> session recommendations in paras 29-32 are relevant).

<u>COMSATS</u> through its activities assists the member states with scientific solutions in their endeavours towards attaining SDGs and addressing common challenges.

COMSATS has a network of 24 S&T Centres of Excellence (CoEs) spread across 3 continents. Equipped with research and training facilities, professionals, consultants, technology experts and advisors, these CoEs provide demand-driven services such as formulating policy inputs for the governments, training programs on IT, researches directed to help industries, innovations, adaptation, and application of technology in various domains, and digitalization.

<u>COMSATS Members & Digitalization</u> Members hailing from the 3 continents have their respective national digitalization policies in place under various

manifestations. Most Asian Members have made significant development in their march towards digitalization and IT in pursuit of achieving e-Governance, e-Justice, e-Health, e-Commerce, e-Agriculture, e-Doc Management System, e-Education, e-Skill Development, e-Employment Platforms, Smart Cities, Cyber Security, Crypto Currency, AI, Blockchain, and so on (CEPA 22<sup>nd</sup> session recommendations in paras 29-32 are relevant in the context of above two paras of this input).

Generally speaking, the COMSATS Members have acquired around 50% or more digitalization in many areas of governance. The trend of innovative digital approaches is especially significant in middle and lower middle income economies, surpassing their respective stage of development. COMSATS members have internet penetration rate at 88.1 and 84.1 percent of the total population. Some of the COMSATS members make up a fourth of the top 20 cheapest countries for mobile data accelerating internet access and adoption. Likewise, the trend is fast on rise in adapting e-Governance.