

# Leveraging on Digitalization for a

Just Transition  
in the Informal  
Sector



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## Who we are

UNU-INRA is a leading voice in Africa's natural resource knowledge base. As a think tank, our thought leadership is grounded in research and evidence. We bridge the gap between science and policy and promote sustainable development through natural resource governance that is sensitive to climate change.

## Our vision

To realise the transformational potential of Africa's natural resources for an inclusive and sustainable future.

## Our mission

To amplify African perspectives, promote made - in- Africa solutions and cultivate African natural resource management capacity.



**UNU  
INRA**



# Background

- The informal sector in Africa is one of the continent's largest productive sectors, accounting for **85% of employments**.
- Sector injustices include energy insecurity, where women constitute the majority.
- The current energy insecurity will be exacerbated in the absence of specific efforts to ensure equitable transition.
- To quicken the green energy transition calls for digital and smart energy solutions, green entrepreneurship and increase investment, driven by enabling policies.

## UNU- UNECA Initiative (JUSTIS)

- JUSTIS focus on the informal sector as a critical dimension for sustainably managing stranding and low carbon transition
- Exploring opportunities for the informal sector to lead the transition.

## Approach

- Development of Justis Digital portal
- Survey & key stakeholders interviews



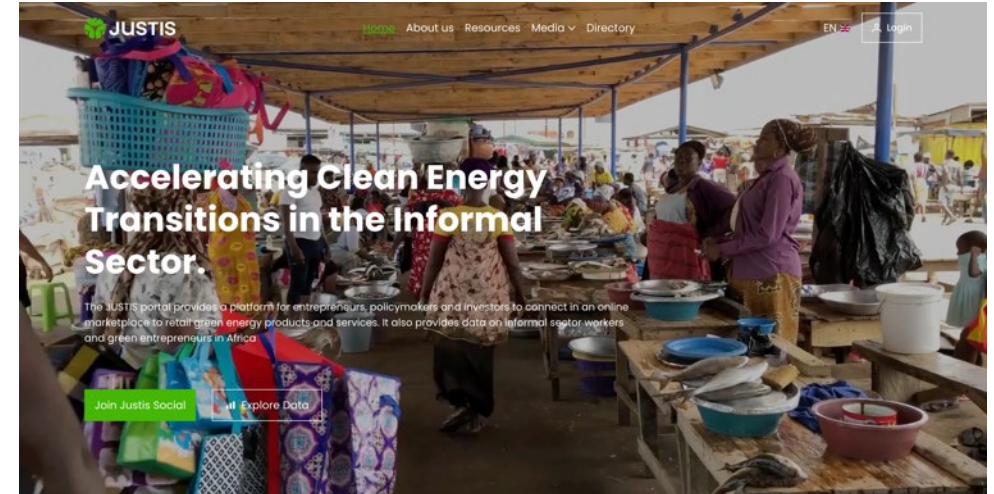


# JUSTIS Portal

- Platform for entrepreneurs, policymakers and investors to connect in an online marketplace.
- Data on informal sector workers and green entrepreneurs in Africa

## Goal

- Mitigate the social risks
- Enable inclusion of ALL
- Enhance economic opportunities
- Unlock investment
- Engage and connect through a social platform



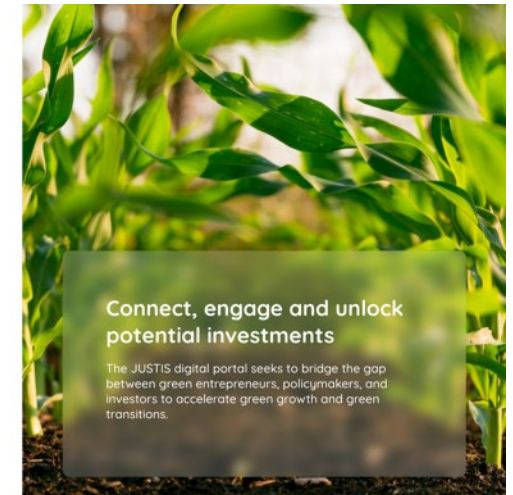
## Log in to the JUSTIS Social Portal

Email address

Password\*

[Forgot Password](#)

LOGIN



JUSTIS digital portal has demonstrated the potential of bridging the gap between stakeholders

Co - evolving with much larger project Agricultural Technologies (INFOCAT).

- Innovate for Clean

# Key Messages

❖ **Informal sector is least considered in government policies**

Unwillingness of informal workers to pay taxes

**Innovative effort is needed to organize the sector**

❖ **Informal sector workers are demonstrating green innovations**

(solar, biofuels -biogas, bioethanol, wastes to energy technologies (biomass fuels for cooking), improved stoves, electric-taxis and bicycles etc.)

❖ **Low women participation** (only 17% women-led green business)

**Promote women participation in green entrepreneurship**

❖ **The digital potential which serves as a key enabler for the transition, has left many informal workers behind.**

- High potentials for digitalizing the informal sector

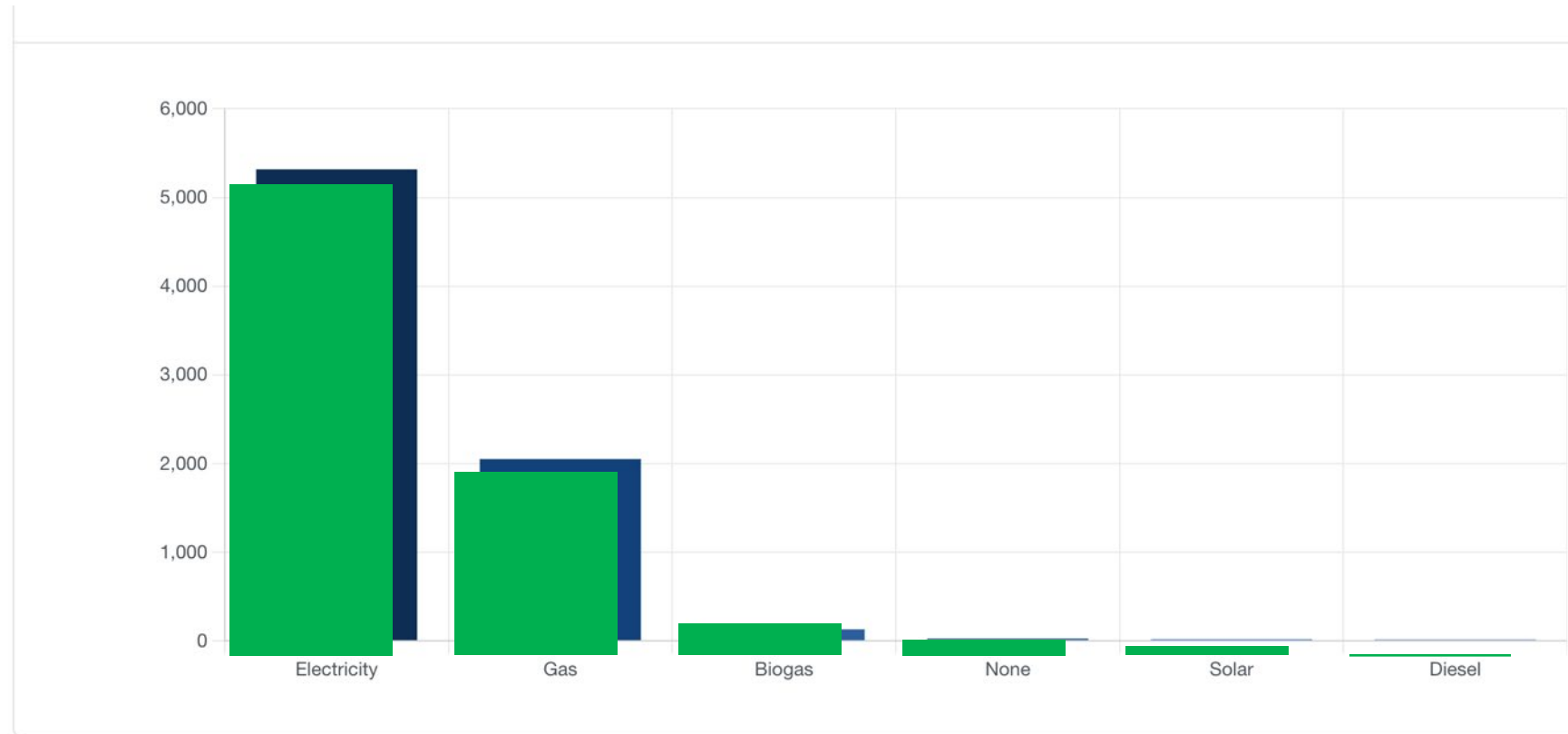
The digital potential which serves as a key enabler for the transition, has left many informal workers behind.

Leveraging on the high diffusion of smart phones in the sector which is currently use in digital financial transactions such as e-cash services (mobile money).

# Renewable energy penetration in the informal sector is very low

Electricity production in the 4 countries studied are heavily reliance on fossil fuels

**Stranding have a huge implication for energy security in informal sector**



# Key messages

Low awareness and understanding of energy transition

Improve awareness creation and interaction between informal sector & government

The complexity of issues faced by Africa governments in promoting Just transition is real

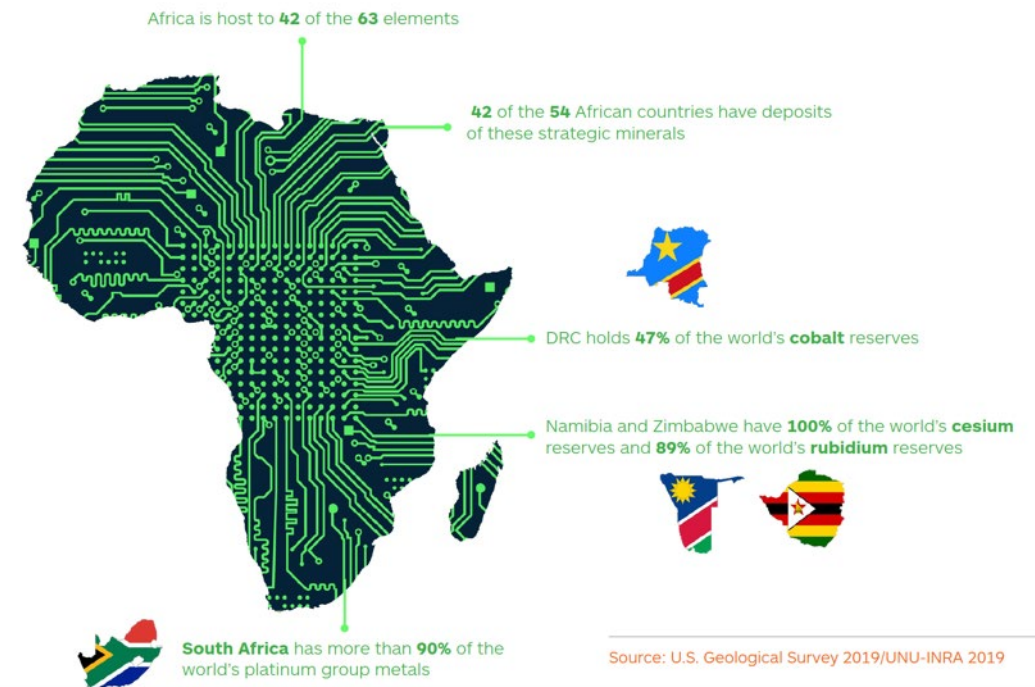
Eg. A case study from Ghana on subsidy on LPG

- How can governments develop strategic market in the green space that support the vulnerable without losing revenue to worsen already high debt levels?
- What role can digitalization play in resolving such complex issues?

Stakeholders see energy transition as threat to the developmental possibilities of Africa and must be managed

High opportunities for Africa to lead the green revolution

## Minerals for low carbon technologies and the 4<sup>th</sup> industrial revolution



Strategic Planning and Management of strategic mineral resources could position Africa as a key player in the fourth industrial revolution .

# Enabling market for green businesses

## Informal sector is left out of most market policies

- How can Africa enable intra-trade in the informal sector as part of the AFcFTA drive?
- Can digitalizing the informal sector such as the JUSTIS model open green windows for Africa's informal sector green businesses?
- A call for deliberate policies and market frameworks



# Conclusion

- Just Transition is not all about Jobs
- Just Transition conversation must have a 360 °C approach – considering; Macroeconomic structures, equity & other trade offs
- Our JUSTIS initiative is an effort to say **Informal jobs/sector matters** and African governments must consciously have frameworks that support them in the transition
- Digitalisation of the informal sector is very key to open green windows
- Africa countries are at various stages of the transition, opening green windows, calls for different levels of efforts and supports.
- Economic development cannot be compromised for the green transition
- AFcTA and other national trade policies must take informal sector into consideration

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**Visit**

**[www.justis.africa](http://www.justis.africa)**

**Thanks**

