Digital Economy Report 2024: Conference on shaping an environmentally sustainable and inclusive digital future in Africa

September 4, 2024
Addis Ababa, Ethiopia
Opening Remarks

- Your Excellency Mr. Belete Molla, Minister of Innovation and Technology, Ethiopia,
- Distinguished Ambassadors, Partners, Colleagues and participants who are here in person and joined virtually,
- Ladies and gentlemen,
- Greetings,

It gives me much pleasure to welcome you on behalf of Mr. Claver Gatete, UN Under-Secretary-General, and Executive Secretary of UN Economic Commission for Africa (ECA), to the launch of the UNCTAD Digital Economy Report 2024 organized by ECA in collaboration with UNCTAD. This year, we gather under the theme of **"Shaping an Environmentally Sustainable and Inclusive Digital Future in Africa."** It is a theme that resonates deeply with our aspirations and challenges as we collectively steer our continent toward a brighter and more sustainable future.

Sustainable development remains a pressing imperative for our global community, as embodied in the 2030 Agenda and Agenda 2063. However, **the SDG Index reveals a sobering reality: only 16% of the SDG targets are on track, while a staggering 84% are experiencing limited progress or even for some regressing.** To revive the momentum and achieve the SDGs, we must strike **a delicate balance between economic and social advancement, environmental sustainability, and intergenerational equity**. This trifecta is crucial for driving meaningful progress and ensuring a prosperous future for all.

The findings of the Digital Economy Report 2024 mark a groundbreaking milestone, **as it illuminates the previously overlooked environmental repercussions of digitalization.** On the one hand, we see how digital solutions can foster economic resilience, enhance food security through agricultural technology, and enable access to education and healthcare. On the other hand, if not managed wisely, our digital surge can lead to increased electronic waste, higher energy consumption, and a digital divide that leaves behind the most vulnerable.

For African countries, **this presents a dual-edged scenario:** a chance for economic growth and a complex challenge including critical environmental and social concerns, as well as the protection of human rights. **Only by acknowledging and navigating these interlinked challenges can Africa truly capitalize on its mineral wealth and forge a sustainable future.**

Excellencies and Distinguished Delegates,

This report to be launched today couldn't be more timely, coming at a critical juncture when the world is grappling with the challenges of digitalization and sustainability.

Africa's digital transformation journey is hindered by a significant digital divide, with a **mere 37% of the population connected to the internet**, far below the **global average of 67%**. The region also grapples with the world's largest digital gender gap. High costs of smartphones, exceeding 40% of average monthly income per capita, and mobile data prices, triple the global average, further restrict digital access. Additionally, a staggering **542 million Africans lack a legal identity,** denying them access to essential services and economic opportunities.

To address these disparities, requires **a multi-faceted approach**, comprising **strategic investments in digital infrastructure**, **data-driven policies**, and **a comprehensive governance framework**. By prioritizing these elements, we can create a sustainable digital ecosystem that supports homegrown innovation and bridges the gap, unlocking the continent's vast potential.

Digital technologies are revolutionizing Africa's landscape, addressing challenges in finance, health, agriculture, education, and climate change. Notable examples include reduced greenhouse gas emissions through remote work, AI optimized agriculture, and **drone-enabled medical supply transport in Rwanda**. **Kenya's M-Pesa mobile** banking model has significantly expanded financial inclusion, providing millions with access to essential services. Additionally, **Botswana's Lobu Small Stock Farm** showcases the power of IoT and AI in boosting yields and ensuring food security. **These success stories underscore the transformative impact of digital technologies on sustainable development in Africa.**

However, Sustainable practices must be adopted to minimize harm and maximize benefits throughout the entire life cycle of digital technology. **For instance, in 2019, Africa generated a staggering 2.9 million tons of electronic waste (e-waste), which translates to 2.5 kilograms per capita.** This is a concerning statistic, considering the continent's growing population and increasing adoption of digital technologies. The 2.9

million tons of e-waste generated in Africa account for a significant portion of the global total, highlighting the need for sustainable e-waste management practices and responsible electronics consumption habits. If left unchecked, the environmental and health impacts of e-waste can be devastating.

Excellencies and Distinguished Delegates,

The United Nations Economic Commission for Africa is committed to promoting sustainable digitalization across the continent, with a dedicated department addressing the nexus between digitalization and sustainability. Key initiatives and focus areas include:

1. Bridging the digital divide and implementing Digital Public Infrastructure through our digital centre of excellence
2. Supporting green policies and sustainable infrastructure to align digital growth with environmental goals
3. Promoting value addition to raw materials, enhancing local manufacturing, and strengthening industry linkages through initiatives like the Electric Vehicle and Value Chain (BEV) initiative in the Democratic Republic of Congo and Zambia
4. Advocating for and implementing continental frameworks like the African Continental Free Trade Area to foster regional integration, green technologies, and practices across Member States

In closing, let us take bold steps toward realizing an environmentally sustainable and inclusive digital future for Africa. The Digital Economy Report 2024 offers us not merely a reflection of where we stand but, more importantly, a roadmap for action in the year ahead. Together, we have the power to ensure that technology serves as a vehicle for equity and ecological stewardship, creating a legacy of progress for generations to come.

"We must ask ourselves: How can we bridge this devastating gap and empower Africa to mitigate the environmental risks of digitalization, while also ensuring its people reap the benefits of a digitally driven future?"

Once again, we extend our sincere gratitude to UNCTAD and all involved stakeholders for developing this groundbreaking report.

We wish you a successful deliberation!