



Building New Social Contracts

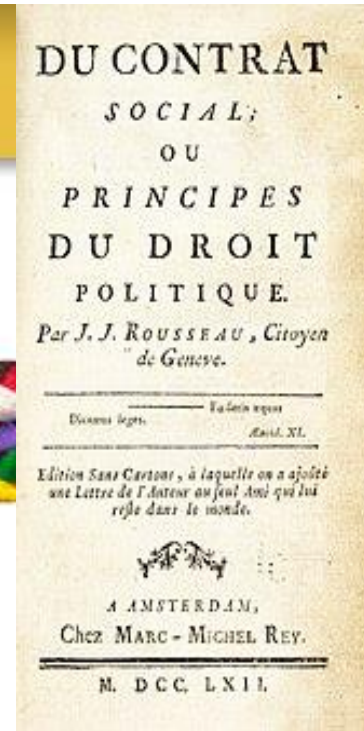
The Role of Digital Governance

10 September 2020

► *Tariq Malik*

Introduction – Digital Governance

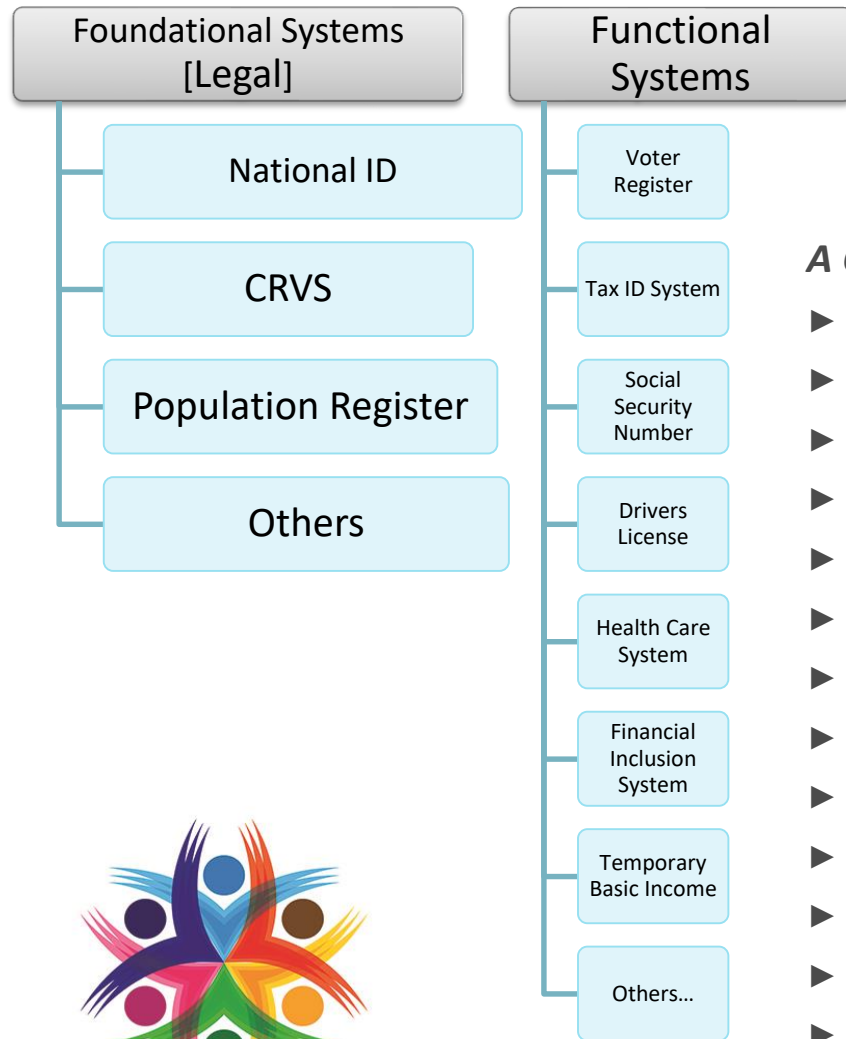
- ❑ Digital Governance, an enabler for inclusive governance -is multidimensional, cross-cutting various areas of governance
- ❑ If Digital Governance is about development, it must be people-centric
- ❑ If we strive for '*Empowered lives and Resilient Nations*' – then it must enable strengthening the social contract
- ❑ Covid-19 is testing the validity of social contract (*Can people count on their state?*)



Empowered lives.
Resilient nations.



People Centric Digital Governance interventions



A Citizens needs:

- ▶ Birth Certificate
- ▶ ID Card
- ▶ Drivers License
- ▶ Marriage/Divorce Registration
- ▶ Health Benefit
- ▶ Vote
- ▶ Property Ownership
- ▶ Pay Taxes
- ▶ Subsidy, if eligible
- ▶ File Police Report
- ▶ Financial Protection
- ▶ Employment
- ▶ other transactions

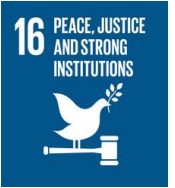


UN eGovernment Survey 2020

What is common in Denmark, South Korea and Estonia – the top three countries who scored top 3 on eGDI, released by UNDESA?

- ▶ Amidst the global outbreak of the COVID-19 pandemic, digital solutions have become vital to address isolation and keep people informed and engaged
- ▶ At the same time, it has become very challenging for some states to provide some very basic and essential services – issues such as **750 million lack broadband connectivity. Concerns over digital divide and ethical use of AI re-emerged**
- ▶ E-participation and data-centric approaches have been enhanced, and the focus in building digital capacities has increased.

Building new social contracts through digital cooperation



 Governance & development interventions

 Digital Governance and Transformation

 Derived Value

Strengthening Core Govt Functions

Rule of Law, Human Rights & Security

Elections

Electoral and parliamentary support

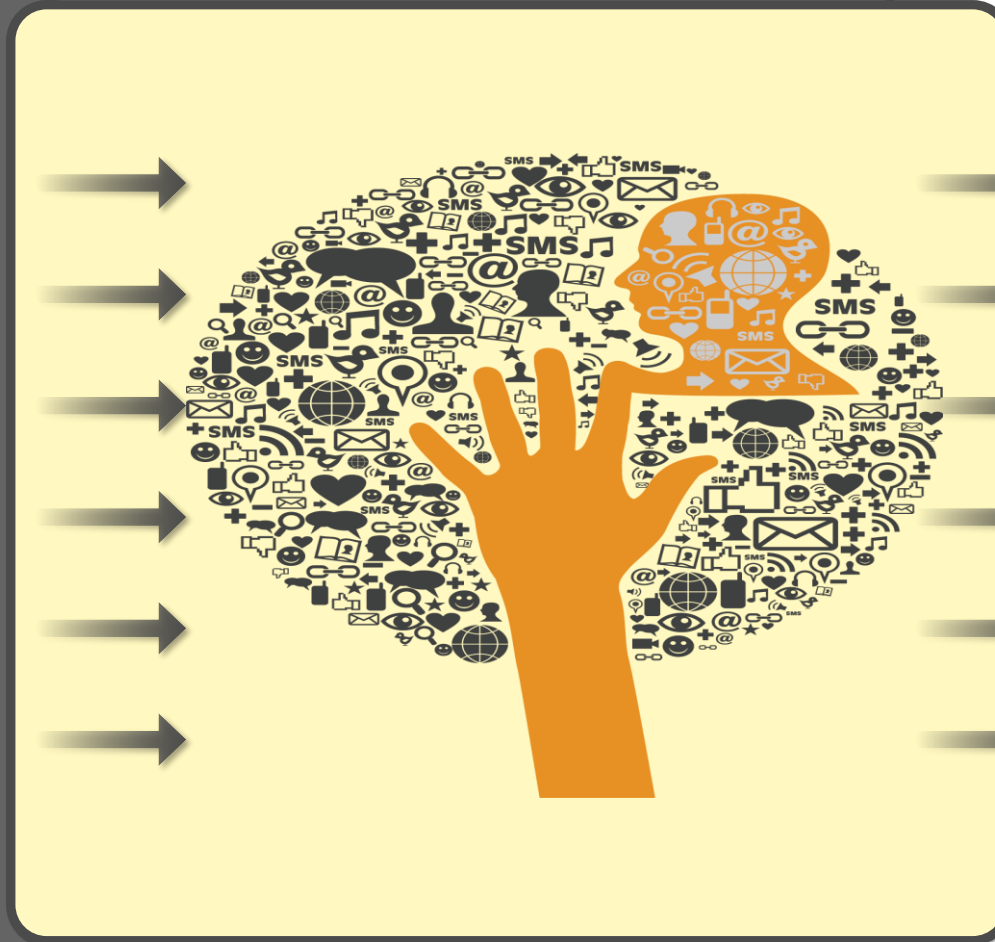
Voice & Accountability & Inclusion

Informed & Engaged Societies

Youth Empowerment

Health Systems

Socio-Economic Response ... and others



✓ State Capacity Enhanced for improved service delivery

✓ Social Contract Strengthened

✓ Targeted Subsidies, social protection

✓ Combating Corruption & Financial Crimes

✓ Effective Disaster Management

✓ Evidenced based real data for public policy formulation

✓ Smarter, Safer Government

Digital Governance Offer: Key Areas of Governance Offer

SPECIFIC DIGITAL INTERVENTIONS during Covid-19

Strengthening Core Government Functions



- Support peer networks to facilitate knowledge sharing through digital means
- Leverage technology to promote transparency, accountability and integrity
- Encourage digital innovations in public

Rule of Law, Human Rights and Security



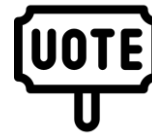
- Leverage technology to enhance remote access to legal services

Legal ID Systems



- Leverage technology in foundational systems (Digital identity x CRVS system)
- Support refinement of data protection and privacy laws
- SDG16.9 –Universal Coverage

Elections



- Elections underpinning transparent voter list . Support innovative and inclusive solutions to prevent election related violence

Voice, Accountability & Inclusion



- Leverage digital technologies for citizens engagement and building government capacities for inclusive governance
- Analyze digital approaches and investments made by governments for lessons learned

Informed and Engaged Societies



- Support to counter the role of misinformation

Youth Empowerment



- Leverage youth networks for tailored response in communities and innovative solutions

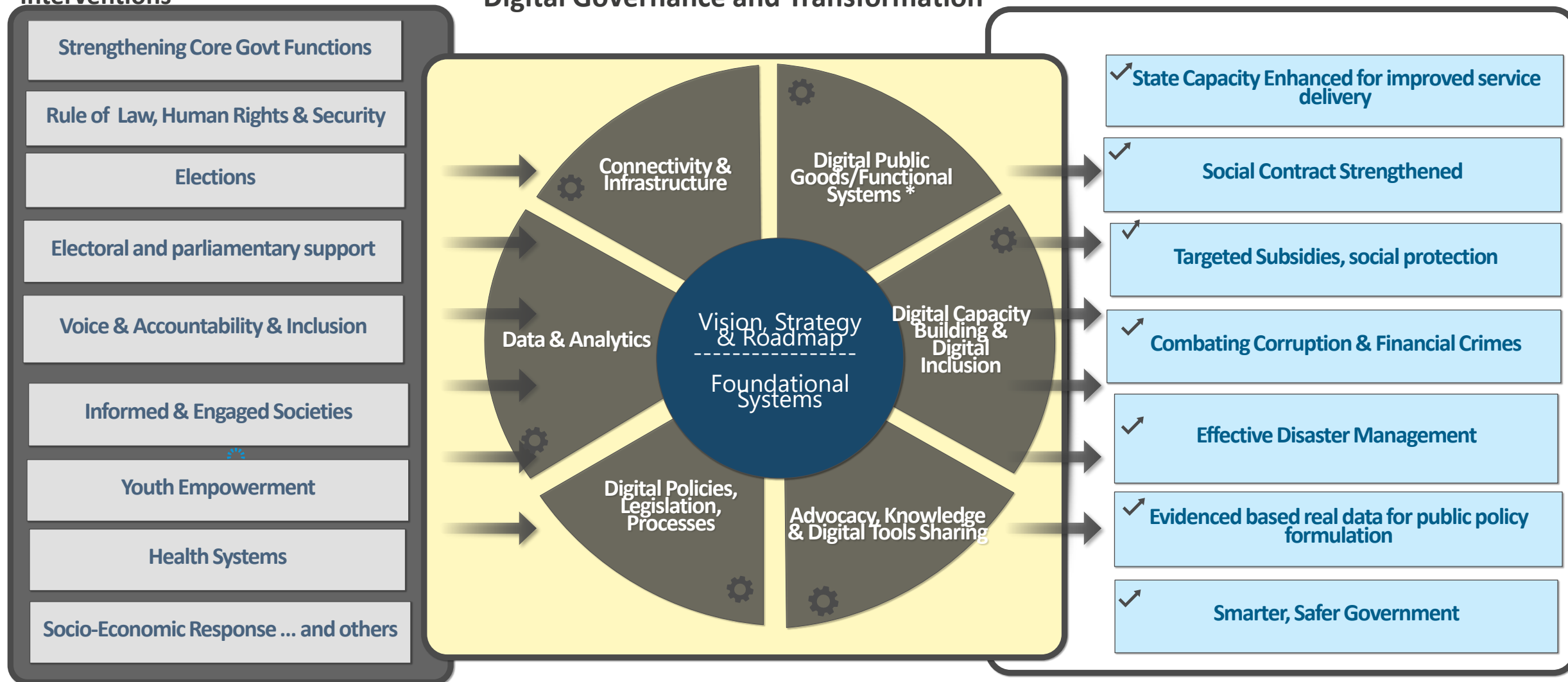
Building new social contracts through digital cooperation



Governance & development interventions

Digital Governance and Transformation

Derived Value



* Digital Public Goods/Functional Systems: eGov System, Digital Health System, Digital Payments Systems, eKYC, Data Collection Systems, Financial Inclusion Systems, Social Safety Net Systems

Digital Public Goods: *Enabling Critical Development Outcomes*

Access to Health

Increased access to health/universal coverage requires countries to identify beneficiaries. More accurate vital statistics tracks health targets

Gender Equality & Inclusion

Women struggle to assert their rights and access services without ID

Social Safety Nets & Refugees

870 m people living in extreme poverty don't have access to social assistance programs. ID enables efficient targeting and cost-effective and secure digital transfers

Improved Governance

Authentication based on national ID makes governments more accountable and transparent. Risks of leakages and fraud can be minimized.

Financial Inclusion

Approx 375 million unbanked adults in developing countries (18%) are constrained by not having the necessary ID documentation



Indonesia: increased birth certification rates closely correlated with reduced child marriage



Pakistan: digital ID system provided direct access of cash transfers to women for the first time. Evaluations showed that, as a result, households spent more on nutrition and child education, and increased women's household decision making.



Pakistan: flood relief using the national ID database to make payments to 2.94 million families in 2010



Argentina: linking 13 public databases and distinct ID registries, allowed to save US\$104 million, through reduced leakages and tax evasion

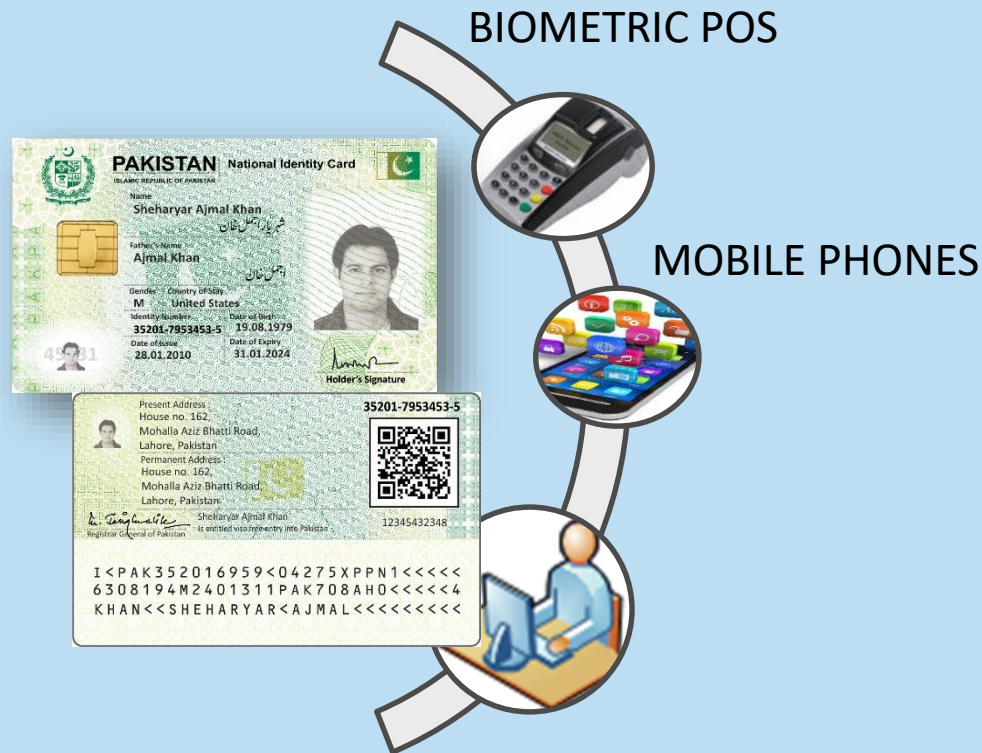


India: the Reserve Bank of India approved the use of the Aadhaar ID as a proof of identity to meet the regulatory KYC requirements. There are now approximately 170 million bank accounts open.

Case Study- Pakistan: How Foundation & Functional Systems improve governance

122 Million
National ID Cards Issued

► 98% Adult citizens registered



599 NADRA OFFICES; 6000 FRANCHISES ;
250 MRVs; 60 MANPACK UNITS

► *Ecosystem that works both Online and Offline*

Benazir Income Support & Ehsaas Programs

- 227 Billion PKR distributed to 5.4 Million Women since 2010

Electoral Rolls

- 37 million invalid entries in 80 million voters list found when compared
- Transparent voters list reduced trust deficit

Disaster Management

- 82 billion PKR distributed to 2.9 million families during worst floods of 2010

Health Programs

- Health Insurance Program on smart card
- 10 million families enrolled

Tax Reforms

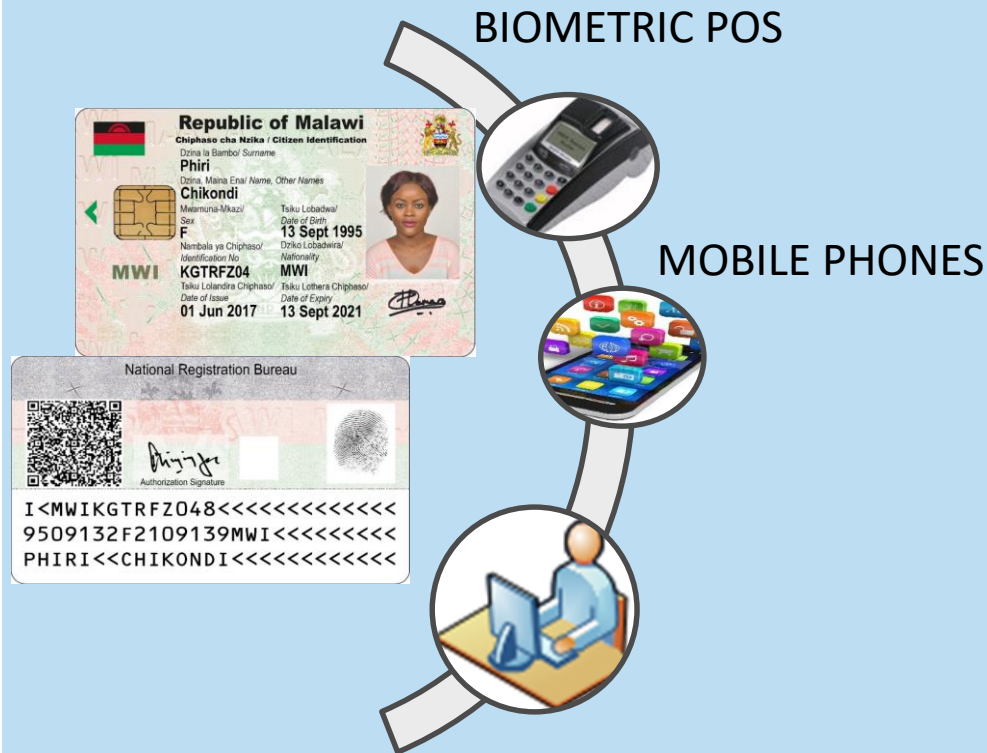
- Using Bigdata Analytics discovered 3.5 million rich tax evaders

Anti-Corruption

- Reduced Human Trafficking, eKYC to combat money laundering, enhancing capacity of financial crime probes

10 Million
National ID Cards Issued

- ▶ 99% Adult citizens registered
- ▶ Women register more than men



28 DISTRICT OFFICES, 100+ POST OFFICES, 2000 BIOMETRIC REGISTRATION KITS

- *Ecosystem that works both Online and Offline*

- 6.8 million registered by scanning ID recording savings in cost of operation
- Turnout increased by 4%

- 4,024 ghost worker removed saving MKW 388 million per month

- Just launched e-Payment system for COVID-19 affected people
- Contact-tracing app

- eVIN for medicine tracking and distribution in works
- e-Health Applet on chip

- Farmers Subsidy Management Input Program linked with ID

- Ghost workers removed, eKYC to combat money laundering, enhancing capacity of financial crime probes

Future Digital Dividends: *Rolling out potential tiered subsidies*

Temporary Basic Income during COVID-19 would



INCENTIVIZE
2.7 BILLION
PEOPLE

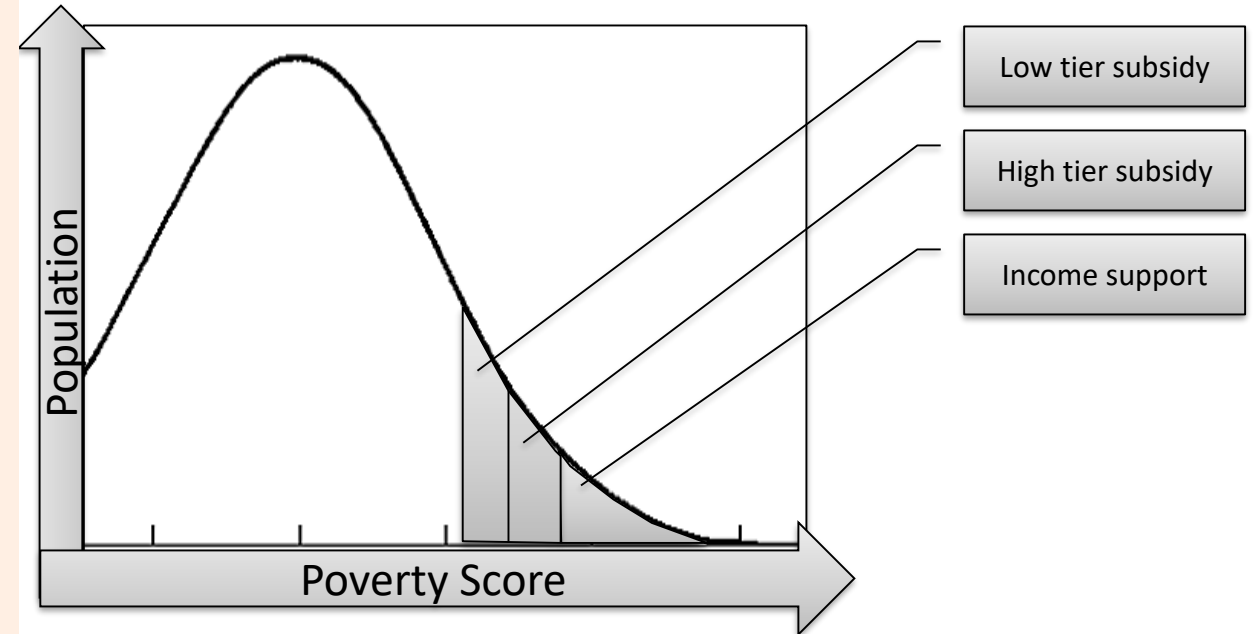


IN 132
DEVELOPING
COUNTRIES



TO STAY HOME
FOR UP TO
6 MONTHS

THE COST TO
GOVERNMENTS: 12% OF
TOTAL FINANCIAL RESPONSE
TO COVID-19 IN 2020



Higher Subsidies for relatively Lower Income sections

Lower Subsidies for relatively Higher Income sections

► *How developing countries can create the fiscal space and Digital Finance to help the most vulnerable and poorest ?*

Thank you

DRAFT



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- [Secretary-General's High-level Panel on Digital Cooperation](#)
- [UNDP Governance for sustainable development: *Programmes and Initiatives*](#)
- [UN eGovt Survey](#)
- [ID 4D Global dataset](#)
- [Temporary Basic Income to protect the world's poorest people](#)
- [People's Money: Harnessing digitalization to finance a sustainable future](#)
- [UNDP Digital Strategy](#)
- [Covid-19 Open Source Digital Tool Kit](#) by UNDP Tech Center
- [Digital Finance for a Fairer Post-Pandemic World](#) by *Maria Ramos and Achim Steiner*
- [Technology in Service of Development](#) by *Tariq Malik*
- [Malawi's Journey towards transformation](#) by *Tariq Malik*
- [Is Covid-19 Pakistan's Black SWAN event for digital payments?](#) By *Tariq Malik*