



Leveraging Digital Transformation for Economic Prosperity

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Agenda



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- Malawi State of Digital Transformation
- Malawi State of the Economy
- How Digital Affects the Economy
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- Malawi's Economic Prosperity with Digital
- Recommendations

SPEAKER BIO: CLARENCE GAMA

- CEO- NICO Technologies Ltd
- President – ICT Association of Malawi
- Board Member – Beehive & TNM Mpamba
- Chairman – Digital Grants Committee –Digital Malawi
- Toastmasters Competent Communicator



“When digital transformation is done right, it’s like a caterpillar turning into a butterfly, but when done wrong, all you have is a really fast caterpillar.” —

George Westerman, MIT Sloan Initiative on the Digital Economy

DEFINITIONS...



Digital Transformation

Using digital technologies to fundamentally **change the way an organization/a country operates** and **delivers value** to its customers/citizens.

Organizations that are successful in digital transformation are those that are able to **embrace change, experiment, and learn from their mistakes**



Economic Prosperity

General Well-being of a country's economy. often measured by factors such as **GDP growth, unemployment rate, and standard of living.**

A country with high economic prosperity is one where most people are able to find **good jobs**, afford **basic necessities**, and have a **comfortable standard of living.**

STATE OF DIGITAL TRANSFORMATION IN MALAWI

INTERNET PENETRATION 24.4%

- Diplomatic Data Corridors being setup
- Cost of Internet still high at \$2.5 per GB
- Investments in Network infrastructure

DIGITAL SKILLS INDEX

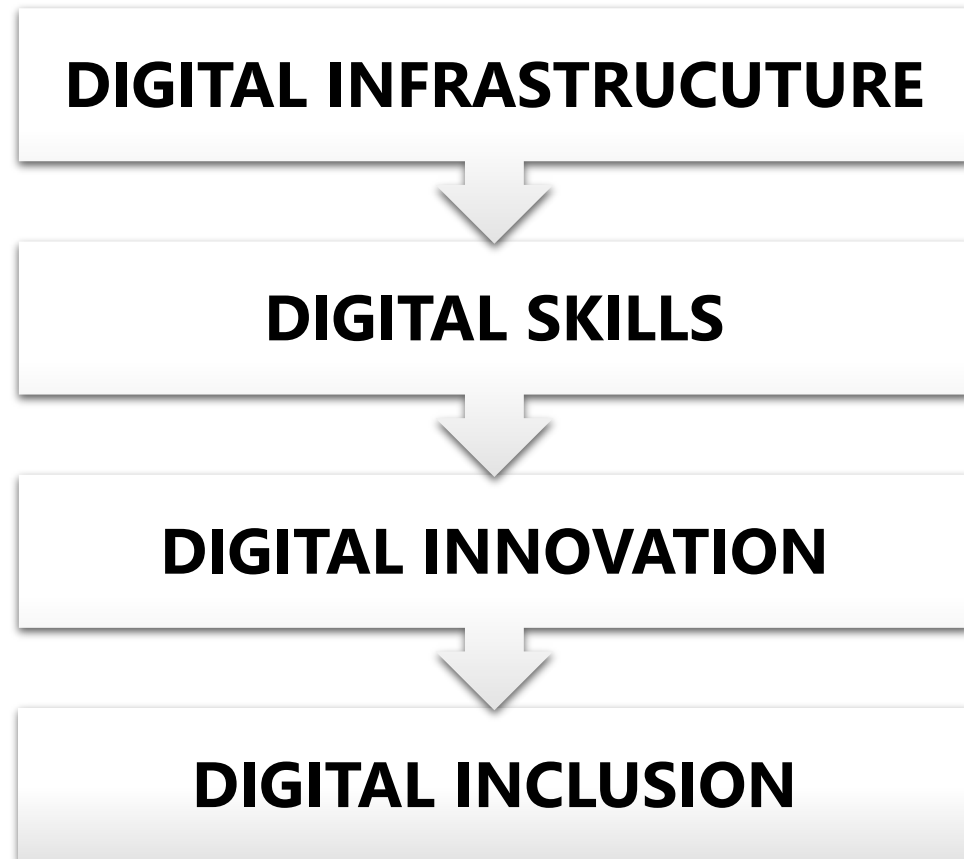
- Digital skills below global average.
- Digital Malawi Project building Digital Skills through Hubs
- Mass ICT Literacy Campaigns in place by MACRA

E-COMMERCE PENETRATION 12.5%

- Lack of trust in online shopping
- Limited Selection of online products.
- Government Initiatives
 - Tax Filing
 - Business Registration
 - Passport/Visa applications

THE MALAWI DIGITAL ECONOMY STRATEGY (DRAFT)

Five-year plan (2021-2026) that aims to promote the use of digital technologies to drive economic growth and development in Malawi.



GOALS:

- ❑ Increase internet access to 80% of the population by 2026.
- ❑ Create 50,000 new jobs in the digital economy by 2026.
- ❑ Increase the share of ICT exports to 4% of GDP by 2026.
- ❑ Improve the digital skills of 1 million Malawians by 2026.
- ❑ Promote the development of 100 digital startups by 2026.

STATE OF THE ECONOMY IN MALAWI

1.9%

2023 GDP Growth

40%

Poverty rate

27.4%

Headline Inflation

26%

Population with Food Insecurity

LOW AGRICULTURE OUTPUT

The sector accounts for about one-third of GDP. The 2022 agricultural season was affected by drought and flooding, which led to lower crop yields

ERRATIC POWER SUPPLY

Electricity supply is unreliable, and this has hampered economic activity. The government is working to improve the electricity supply.

FOREX SHORTAGES

Forex shortages has made it difficult to import essential goods and raw materials. This has also led to higher inflation.

HIGH GLOBAL COMMODITY PRICES

The war in Ukraine has led to higher global commodity prices, which has put pressure on Malawi's import bill.

WHAT CONTRIBUTES TO ECONOMIC PROSPERITY?

1

Strong and Stable Financial System: where businesses and individuals can easily access credit and invest in their businesses, creating jobs.

2

Open trade policies: allowing businesses to export their goods and services to other countries

3

Infrastructure investment: roads, bridges, and airports, makes it easier for businesses to operate and for people to get around

4

A stable political environment: Providing businesses with the confidence they need to invest and grow.

HOW HAS DTX ENABLED ECONOMIC PROSPERITY

1. THE RISE OF E-COMMERCE

E-commerce has revolutionized the way people shop, making it easier and more convenient to buy goods and services online. This has led to increased sales and profits for businesses, as well as new jobs in the e-commerce sector.

2. THE GROWTH OF THE SHARING ECONOMY

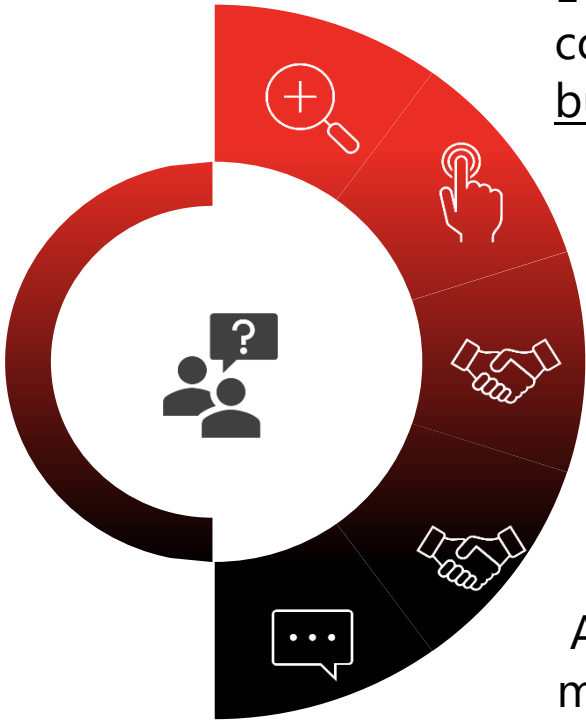
The sharing economy, which includes platforms like Airbnb and Uber, has made it possible for people to share goods and services with each other. This has led to new business models and economic opportunities.

3. THE DEVELOPMENT OF ARTIFICIAL INTELLIGENCE

Artificial intelligence (AI) is being used in a wide variety of industries, from healthcare to manufacturing. AI is automating tasks, improving decision-making, and creating new products and services

4. THE RISE OF THE INTERNET OF THINGS

The Internet of Things (IoT) is connecting physical devices to the internet. This is enabling new applications in areas such as healthcare, transportation, and manufacturing



CASE OF RWANDA: LEVERAGING DIGITAL TRANSFORMATION

“As digital technologies continue to evolve, Rwanda is well-positioned to continue to reap the benefits of digital transformation”

CASE OF RWANDA: LEVERAGING DIGITAL TRANSFORMATION



Developing digital platforms: developed the Irembo portal, which provide citizens with access to government services online.



Investing in digital infrastructure: Invested heavily in digital infrastructure, such as fiber optic cables and 4G networks..



Supporting digital entrepreneurship: providing funding and other resources to startups and small businesses.



Promoting digital literacy: promoted digital literacy, which is the ability to use digital technologies..

- ❑ **The Irembo portal:** a one-stop shop for government services. Citizens can use the portal to apply for passports, driver's licenses, and other government services.
- ❑ **The e-Health system:** Rwanda has a national e-Health system that connects hospitals and clinics across the country. The system allows doctors and nurses to share patient information and to track the progress of patients.
- ❑ **The Smart Agriculture program:** uses digital technologies to improve agricultural productivity. The program provides farmers with access to weather data, market information, and other resources.
- ❑ **The e-Learning platform:** Rwanda has an e-Learning platform that provides students with access to educational resources. The platform includes online courses, textbooks, and other resources.

MALAWI'S ECONOMIC PROSPERITY THROUGH DIGITAL TRANSFORMATION

ACCESS TO EDUCATION



Leverage Digital Technologies to provide education and training to people in rural areas. **Skills and productivity will lead to economic growth.**

PROMOTE E-COMMERCE



Digital Technologies can be used to facilitate e-commerce, which can help to connect businesses and consumers, **expand markets, and create jobs and Foreign exchange currency.**

MODERNIZE AGRICULTURE



Use Technology to improve agricultural productivity, by providing farmers with access to weather forecasts, market information, and agricultural inputs. This can help to **reduce poverty and food insecurity.**

GOVERNMENT SERVICES



Digital technologies can be used to improve the efficiency and transparency of government services, such as by providing online applications and payments. This can **help to reduce corruption and improve citizen satisfaction.**

RECOMMENDATIONS : PERSONAL

1

Go Digital : Adopt use of digital Signatures, taking digital notes and online meetings.

2

Go Mobile: Opt for online and mobile business transactions

3

Be Secure: Protect your data by guarding access to your personal devices; laptops, tablets and cell phones

4

Build a tech skill: Business Intelligence, Data Analysis , Advanced Excel etc

RECOMMENDATIONS : BUSINESS

1

Join the Community : ICT Association Membership and benefit from the larger community

2

Seek External ICT Support: Explore Managed Services for ICT skills that you don't have in-house.

3

Invest In Technology: Spend for long –term benefit in core systems and server infrastructure

3

Protect Data: Digitize, backup and create a Disaster Recovery site for business continuity

RECOMMENDATIONS : COUNTRY

1

Digital Infrastructure : Access to affordable internet

2

Digital Skills: Create a more skilled workforce

3

Digital Innovation: Develop Start-ups and small businesses

4

Digital Inclusion: Digital access in rural areas

“Malawi Digital Economy Strategy 2021-2026 is Malawi's vision of an inclusive and thriving digital economy by 2026 it is critical to achieving the country's inclusive wealth creation objectives in agriculture, industrialisation and urbanisation”

THANK YOU

