Africa in Control of Its Digital Future: Mobilising Domestic Resources & Strategic Partnerships



African schools gear up for the AI revolution. Girls attend a robotics bootcamp in Rwanda. Credit: UN Women/Geno Ochieng

Digital transformation can be the engine of responsible and democratic development in Africa, but only if leadership, investment, and decision-making are rooted

in the continent itself.

By Mehdi Jomaa and Obiageli "Oby" Ezekwesili

TUNIS, Tunisia/ ABUJA, Nigeria, May 30 2025 – As political, financial and social leaders met on 27 May 2025 in Abidjan, Republic of Côte d'Ivoire, for the <u>Annual Meetings of the African Development Bank</u> (AfDB), the continent stands at a crucial turning point. Digitalisation can be the engine of inclusive and resilient development, but only if approached with local leadership and strategic vision.

The questions asked at this year's meeting: how to mobilise African capital, how to foster transformative partnerships, and how to accelerate the shift to greener, more inclusive economies- are not rhetorical. They are urgent.

Africa is not short on potential. On the contrary, it is home to 18% of the world's population, yet holds less than 1% of global data centre capacity. It is a hyper-connected continent -over 600 million Africans use mobile phones today- but smartphone penetration and effective connectivity remain low.

Technology, alongside young people and women, stands out as one of the three defining forces that can enable Africa not only to transform itself but to win the 21st century. This potential is already materialising: since the early 2000s, following deep telecommunications sector reforms carried out across much of the continent, African youth have deployed technology as a powerful enabler of exponential progress.

Today, some of the continent's largest and fastest-growing companies are in the tech sector, including several unicorns -firms valued at over one billion dollars. Mobile money innovations like M-PESA have become globally replicable models. In contrast to Africa's historical exclusion from the Agricultural and Industrial Revolutions, the digital revolution marks a pivotal moment: Africa is no longer catching up—it is helping lead a new economic era on its own terms.

The key is recognising that Africa's digital development cannot rely solely on external flows. As the African Development Bank has pointed out, two-thirds of development finance in Africa already comes from domestic sources, such as tax revenue and household savings. In 2020, African sovereign wealth funds managed over USD 24 billion, and pension funds held assets worth USD 676 billion in 2017. On top of that, the African diaspora sends nearly USD 100 billion in remittances every year.

Mobilising these resources requires more than political will. It demands strong institutions, effective regulatory frameworks, and public-private partnerships capable of scaling digital transformation. Key initiatives led by the private sector are already underway, but more is needed: a shared vision, bold political ambition, and a digitally empowered citizenry. This is where governance and institutional leadership come into play.

In this spirit, Club de Madrid -the world's largest forum of democratic former presidents and prime ministers- recently underlined at its <u>Annual Policy Dialogue on Financing for Development held in Nairobi</u> in April, that digital transformation must serve inclusion and institutional strengthening.

It emphasised the importance of investing in public digital infrastructure to ensure equitable access for women, youth, and marginalised communities, as well as establishing regulatory frameworks that protect personal data, encourage fair competition, and uphold universal digital access as a public good.

Drawing on their leadership and governance experience, Club de Madrid's Members work to strengthen institutional trust and digital governance frameworks that ensure transformation is genuinely inclusive.

Digitalising without governance is a risk, but doing so with transparency and digital rights is a historic opportunity for Africa.

This is not only a matter of efficiency. It is a question of how digitalisation can reinforce the social contract by building trust, reducing exclusion, and delivering on the promise of democratic governance. Properly directed, digitalisation can strengthen public trust, expand access to essential services, and create millions of jobs in emerging sectors.

Artificial intelligence, for example, is already being used by African governments to detect fraud, improve civil registries and plan infrastructure more intelligently. <u>Ghana and Rwanda</u>, for instance, are advancing national AI policies rooted in ethics and tailored to African contexts.

Still, the road ahead will not be easy.

According to the *African Economic Outlook 2024*, the continent faces an annual structural transformation financing gap of over USD 400 billion. Global financial reforms, while welcome, will not suffice. That is why the message from Abidjan must be clear: Africa must lead its digital future, democratically, inclusively, and with purpose, by mobilising its human, financial and political capital.

Investing in digital capabilities is not optional. In the 21st century, it is a fundamental pillar of effective democracy, responsive institutions, and resilient economies capable of creating real opportunities and delivering tangible benefits to citizens. In this endeavour, every African country has a role to play, as does every partner genuinely committed to just and sustainable development.

Africa's digital future is not yet written: it will be shaped by bold decisions taken today, and by strategic partnerships that empower, respect, and are accountable to African people and leadership.

Let the message from Abidjan be clear: Africa must lead its digital future, not just to compete globally, but to govern inclusively, protect rights, and deliver prosperity with dignity.

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