2024 Mid-Year Fiscal Policy Review

Overview of Technology Initiatives

pwc

The 2024 mid-year fiscal policy review provided focus on Ghana's fiscal policies and economic development plans. Below we examine instances of the broader technology initiatives. The fiscal policy review places significant emphasis on leveraging technology to align with Ghana's overarching goals of economic growth and improved public service delivery. The strategic integration of digital tools aims to enhance efficiency, transparency, and accessibility across various sectors. Notable initiatives include the Ghana.GOV Platform, Ghana Integrated Financial Management Information System ("GIFMIS"), and Ghana Electronic Procurement System ("GHANEPS"), which target operational efficiency by streamlining government processes, improving financial management, and ensuring transparency in procurement. These technological advancements are expected to reduce bureaucracy, minimise delays, and enhance accountability, resulting in cost savings and heightened operational efficiency. Additionally, projects such as the e-Transform initiative, the digitisation of records, and the application of technology in health, justice, and parliamentary sectors are geared towards making public services more accessible and efficient, thus improving service quality and citizen satisfaction.

Leveraging Technology for Service Delivery and Efficiency

Below is a summary of various initiatives mentioned in the 2024 mid-year fiscal policy review with some updates on the implementation progress.

- **Ghana.GOV Platform:** This platform aims to improve revenue collection and public service delivery. By June 2024, 140 public institutions, including the Ghana Revenue Authority ("GRA"), were receiving payments through the platform, totalling GH¢56.4 billion.

- **Ghana Integrated Financial Management Information System (GIFMIS):** This system has been rolled out to 287 Internally Generated Funds ("IGF") -reliant public institutions to enhance transparency and accountability in managing retained Non-Tax Revenue ("NTR") and IGF expenditures.

- **Ghana Electronic Procurement System ("GHANEPS"):** The Public Procurement Authority ("PPA") enrolled 856 entities on this system, intending to increase transparency and efficiency in public procurement. As of June 2024, 636 entities had published procurement plans, while 239 entities used the system for publishing 3,083 tenders and awarded 4,896 contracts.

- **e-Transform Project:** This project aims to use information technology to enhance public service delivery. Key initiatives include:
  - Cloud Storage: Implementation of a cloud storage system to facilitate efficient service delivery across government agencies.
  - Public Key Infrastructure ("PKI"): Deployment of an Authentication and Verification System, integrating PKI to strengthen identification infrastructure by the National Identification Authority
  - Cybersecurity Infrastructure: Establishment of operational infrastructure for the Cyber Security Authority ("CSA") to combat cybercrime effectively.
  - Data Protection: Development and deployment of an integrated system for the Data Protection Commission.
  - Tech Hubs: Establishment of three tech hubs to support youth in developing technological solutions, with 33,854 individuals receiving digital skills training.
  - Digitisation of Records: Digitisation of approximately 30 million records across various government institutions to enhance data management.

- **Sector-Specific Technology Applications:** The mid-year fiscal policy review highlights the use of technology in:
  - e-Justice System: Deployment in 50 High Courts in Accra to enhance judicial processes with 67,583 cases processed.
  - e-Parliament System: Installation of an e-Parliament system to improve parliamentary processes, with ongoing validation and testing.
  - Traffic Management System: Implementation of a Traffic Management System (TrafficTech) with a pilot expected by the end of 2024.
  - Post Office Upgrade: Procurement and distribution of equipment to upgrade 25 post offices for enhanced e-service delivery.
  - Telecommunications Infrastructure: Collaboration with telecommunication operators to improve nationwide 4G and 5G services through the Next-Generation InfraCo (NGIC). The government has established an e-Gov network connecting 951 public institutions, supported by 3,500 kilometres of fibre optic infrastructure.
  - Ghana Agriculture and Agribusiness Platform ("GhAAP"): Developed as an integrated digital platform to manage the Planting for Food and Jobs ("PFJ") 2.0 programme, enabling real-time data capture and monitoring of agricultural initiatives.

Strategic Alignment

The utilisation of technology across the various services outlined in the mid-year fiscal policy review aligns with Ghana's broader governmental goal of promoting economic growth and improving public service delivery. There's a clear focus on leveraging digital tools for increased efficiency, transparency, and accessibility within different sectors.

Potential Impact

- **Operational Efficiency:** Initiatives like the Ghana.GOV Platform, GIFMIS, and GHANEPS aim to streamline government operations, improve financial management, and enhance transparency in procurement. These efforts have the potential to reduce bureaucracy, minimise delays, and enhance accountability, ultimately leading to cost savings and improved efficiency.

- **Service Delivery:** The e-Transform Project, digitisation of records, and the application of technology in sectors like health, justice, and parliament aim to make public services more accessible, efficient, and convenient for citizens. These initiatives can contribute to improved service quality, reduced waiting times, and enhanced citizen satisfaction.

- **Innovation and Technological Advancement:** The establishment of tech hubs and investment in digital infrastructure can foster innovation, create opportunities for technology-driven businesses, and equip the workforce with digital skills. These efforts can contribute to Ghana's competitiveness in the global digital economy and drive technological advancement.

Challenges and Considerations

- **Implementation Capacity:** Successfully implementing the ambitious technological initiatives outlined, requires a significant level of technical expertise and capacity within government. A key challenge will be ensuring that government agencies possess the necessary skills and resources to effectively manage and execute these projects. For instance, the rollout of complex systems like the e-Justice system in 50 High Courts and the e-Parliament system demands robust technical support and training for seamless adoption.

- **Digital Divide:** Bridging the digital divide within Ghana is crucial for ensuring equitable access to the benefits of these technological advancements. Limited internet connectivity, particularly in rural areas, can hinder the reach and impact of initiatives like the GHANEPS and the e-Transform Project. Addressing infrastructural limitations and promoting digital literacy programmes will be essential for widespread adoption and inclusivity.

- **Data Security and Privacy:** As Ghana increases its reliance on digital platforms and systems, ensuring the security and privacy of citizen data becomes paramount. Implementing robust cybersecurity measures to protect sensitive information stored in systems like the cloud storage platform for government agencies and the National Identification Register ("NIR") is crucial to maintain public trust and prevent data breaches. The fiscal policy review highlights the establishment of an Authentication and Verification System and operational infrastructure for cybersecurity, emphasising the government's recognition of these concerns.

- **Funding Constraints:** Securing sustainable funding sources will be essential for the long-term success of these initiatives. While the fiscal policy review mentions efforts to attract private investment and leverage development partner resources, balancing these with fiscal constraints will be vital. The successful implementation of the "SME GO" programme, for instance, hinges on mobilising diverse financial resources through innovative financing solutions and technical assistance.

Future Outlook

- **Digital Economy:** The technology initiatives outlined have the potential to significantly shape the future technological landscape of Ghana by accelerating its transition towards a digital economy. The expansion of e-commerce, digital financial services, and online government services can drive economic growth, create jobs, and improve service delivery.

- **Enhanced Public Service Delivery:** Initiatives like the e-Transform Project, e-Justice system, and e-Parliament system hold promise for improving the efficiency, transparency, and accessibility of public services. These advancements can reduce bureaucracy, empower citizens with greater access to information, and enhance accountability within government institutions.

- **Innovation and Entrepreneurship:** By fostering a supportive environment for technological innovation, these initiatives can stimulate entrepreneurship, particularly within the SME sector. The establishment of Tech Hubs and the focus on providing digital skills training to the youth (over 33,854 trained) can lead to the development of homegrown technological solutions and create a new generation of tech-savvy entrepreneurs.

- **Sustainable Development:** Integrating technology into sectors like agriculture, transportation, and environmental management can contribute to more sustainable development practices. The use of drones for medical delivery, development of electronic chart and hazard map systems for the Volta Lake, and the promotion of electric vehicles are examples of how technology can be leveraged to address environmental and social challenges.

The technology strategy presented in the 2024 mid-year fiscal policy review outlines a vision for leveraging technology as a key driver of economic growth, social development, and improved governance in Ghana. The initiatives cover various aspects, including infrastructure development, digital skills training, and efforts to create a digital-oriented environment for businesses and citizens. As Ghana increases its reliance on digital platforms, robust cybersecurity measures are imperative to protect sensitive citizen data and maintain public trust. Sustainable funding is another crucial factor; while the fiscal policy review outlines efforts to attract private investment and leverage development partner resources, balancing these with fiscal prudence remains vital. The outlook is optimistic, with the potential for significant contributions to Ghana's transition towards a digital economy, improved public service delivery, and the fostering of innovation and entrepreneurship within the SME sector.

Realising the full potential of these initiatives will require addressing challenges related to implementation capacity, the digital divide, data security and privacy, and sustainable funding. Successful navigation of these challenges will be crucial for ensuring that the benefits of technological advancements are accessible to all segments of Ghanaian society, paving the way for a more digitally inclusive and prosperous future.

For more information on how PwC can assist you with technology solutions, reach us at:

Richard Wogodo
Senior Manager
+233 (30) 2761500
richard.wogodo@pwc.com

Norbert Asomani
Manager
+233 (30) 2761500
norbert.asomani@pwc.com