Fifth Caribbean Ministerial Consultation on
“Regional Cooperation for e-Government Capacity Building”

Enabling e-Government in Caribbean Countries:

From Vision to Implementation

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“we implement”
Government effectiveness varies ...

<table>
<thead>
<tr>
<th>Country</th>
<th>Government Effectiveness</th>
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<tbody>
<tr>
<td>CAYMAN ISLANDS</td>
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<td>DAIAMAS</td>
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<tr>
<td>MARTINIQUE</td>
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<tr>
<td>ANTIGUA AND BARBUDA</td>
<td>55</td>
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<tr>
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<td>ST. KITTS AND NEVIS</td>
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<td>ST. LUCIA</td>
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<td>ST. VINCENT AND THE GRENADINES</td>
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<td>BELIZE</td>
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<td>SURINAME</td>
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<td>CUBA</td>
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<tr>
<td>GUYANA</td>
<td>0</td>
</tr>
<tr>
<td>HAITI</td>
<td>0</td>
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</table>

e-Government...

can be an effective tool, even for small countries:

• transparency + accountability
• consultation + participation
• efficiency, quality, cost-effectiveness
• allocation of resources
• investment climate
….but e-Government is no panacea

• a single e-government application can cost as much as $10 billion!

yes, $10 billion!

• most of you will experience this new application soon when visiting the US
e-Government Why?

• costs of computing + networking falling dramatically (30% p.a.)
• poor countries can afford same computing power + connectivity with only 5-15 years lag
• “information revolution” will have larger impact than “industrial revolution”
Digital Divide or Opportunity?

**Divide:**
Internet penetration, 2004:
Haiti: 1% ...........................................US: 70%

**Opportunity:**
1% → 10%  5 years
10% → 50%  5 years

Internet usage in most Caribbean countries lags behind the US by only 5 years, and behind Italy by only 3 years.
How much e-Government can you afford?

• Software development is the “Achilles heel” of e-Government
• 70% of all software development is for custom solutions (mostly application integration)
• US public sector IT spending is about $100 billion p.a.
• small and poor countries can only afford **standard solutions**: hardware + shrink-wrapped or open-source software:
  – Windows/Linux, MS Office/OpenOffice, Oracle/MySQL
  – Software piracy has reduced acquisition costs
  – Free, open-source solutions have become a realistic alternative
  – Total cost of ownership is very different in poor countries
e-Government

What?

Model:
• Service provision, digital identification, access channels, interoperability, service providers, communication infrastructure

Organization:
• Processes, human resources, change management, training

Plan:
• Computer literacy, office automation, networks, e-mail, Internet information services, e-procurement, e-registration, export promotion, ID cards, on-line payment, digital signatures, e-learning, emergency services, logistics, HR systems, tax payments, land registry, customs processing, laws on-line, police work, land use planning, civil register, health services........
e-Government What?

- G2G  government-to-government
- G2B  government-to-business
- G2C  government-to-citizen
Five stages of e-Government:

1. Basic office productivity solutions, small networks
2. Useful information for firms and citizens on the Web
3. Integration of financial and management systems
4. Communication between government, firms and citizens
5. Electronic provision of services (24x7)
6. Government-wide integrated portals (one-stop shop)
e-Government How?

- establish **priorities**
- changing government practices is hard
- move fast, or the digital **opportunity** becomes a **divide**
- others are not standing still
- **political will** is crucial to success
- **common, open standards** are essential
- Adopt standard solutions whenever you can
Digital Divide or Opportunity?

- Can you reform government administration as fast as Internet connectivity will grow?

  Probably not!
## Example: Starting a business

<table>
<thead>
<tr>
<th>Region or Country</th>
<th>Number of Procedures</th>
<th>Duration (days)</th>
<th>Cost (% of GNI per capita)</th>
<th>Minimum Capital (% of GNI per capita)</th>
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</thead>
<tbody>
<tr>
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<td>60.1</td>
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<tr>
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<td>78</td>
<td>25.2</td>
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</tr>
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<td>Australia</td>
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<td>Italy</td>
<td>9</td>
<td>13</td>
<td>23.3</td>
<td>11.6</td>
</tr>
</tbody>
</table>
Focus first on G2G + G2B, then G2C:

**G2G**
- basic office automation, accounting, statistics, networking, e-mail, Internet access

**G2B**
- Internet information services: e-laws and regulations, e-procurement, e-registration, e-mail customer service

**G2C**
- use community centers, schools and other “intermediaries”
Example: e-Procurement

- public sector procurement 10-15% of GDP
- savings of 1-10% of contract value possible through relatively simple e-Tendering information systems
- economic benefits are even larger: reallocation of resources to the most efficient firms
- simultaneous reforms of procurement laws, regulations and practices needed: transparency + standardization
Control of corruption

Control of Corruption (Latin America & Caribbean region, 2002)

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HAITI

Country's Percentile Rank (0-100)

Regulatory quality

Regulatory Quality (Latin America & Caribbean region, 2002)

Example: e-Procurement

• **dgMarket** – best practice e-Government tendering information system similar to EU-TED or US-Fedbizopps

• can be deployed in a new language and new brand in a few weeks

• **open-source** e-Government application + hosted service

• eliminate re-inventing of the wheel
Example: e-Procurement

• 40+ countries have applied for support in e-procurement

• we will make this a collaborative process

• every partner will be able to suggest and implement improvements and expansions

• all contributions will be shared by everybody

• countries can operate the system locally, or we host it
e-Government Success Factors

• Clear vision and a realistic plan
• Strong leadership
• High visibility, quick results
• Public/private partnerships
e-Government Obstacles

1. Doubt and resistance by leaders
2. Lack of innovation incentives
3. Low capacity in managing IT projects
4. No overall plan and standardization
5. Lack of conviction by middle managers
6. Wrong balance between speed, depth and comprehensiveness

7. Obsolete legal frameworks

8. Turf between public agencies

9. Local governments left behind
Conclusion

e-Government =
re-inventing government

• the technology part is easy

• the difficult part is human nature
Molto grazie
E-Talia!

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E-Government