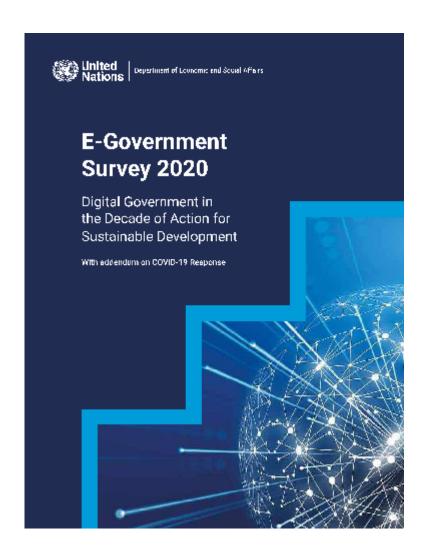
## World e-government coverage remains limited



World e-government coverage remains limited according to the 2020 edition of the <u>United Nations E-Government Survey</u> which was released on 10 July 2020 (1). This is in spite of most countries and municipalities currently pursuing digital government strategies, many with innovative initiatives.

The 2020 ranking of the 193 UN Member States in terms of digital government — capturing the scope and quality of online services, status of telecommunication infrastructure and existing human capacity — is led by Denmark, the Republic of

Korea, and Estonia, followed by Finland, Australia, Sweden, the United Kingdom, New Zealand, the United States of America, the Netherlands, Singapore, Iceland, Norway and Japan.

Among the least developed countries, Bhutan, Bangladesh and Cambodia have become leaders in digital government development, advancing from the middle to the high E-Government Development Index (EGDI) group in 2020. Mauritius, the Seychelles, and South Africa are leading the e-government ranking in Africa. Overall, 65 per cent of Member States are at the high or very high EGDI level.

In responding to the health emergency, governments have put in place new tools, such as dedicated COVID-19 information portals, hackathons, e-services for supply of medical goods, virtual medical appointments, self-diagnosis apps and e-permits for curfews. Many countries were quick to deploy tracking and tracing apps, and apps for working and learning from home.

Innovative digital government responses to COVID-19 include online dashboards in Canada and Australia to share information and track emergency responses. In China, chatbots are used to assess patients' risk of being infected. A community engagement app in Estonia allowed local governments to directly interact with their constituents, including through sharing COVID-19 information, posting photos and videos and even organizing virtual events. In Croatia, a "virtual doctor" is powered by artificial intelligence and developed by technology firms in cooperation with epidemiologists. In London, the use of cameras, sensors and AI algorithms, normally intended to control traffic, now measures distance between pedestrians to control social distance.

## E-government progress still hindered by digital divide

As a development tool, the E-Government Survey examines countries' strengths, challenges and opportunities, and informs policies and strategies. The 2020 edition found that progress has been made across all regions, even in the least developed countries. Over 22 per cent of countries were promoted to higher levels of e-government development.

Yet, despite the gains and major investments in e-government by many countries, the digital divide persists. Seven out of eight countries with low scores are in Africa and belong to the least developed countries group. The regional average index scores for countries in Africa are almost one third lower (at 0.3914) than the world average EGDI of 0.60.

Alongside these trends, the COVID-19 pandemic has now not only reinvigorated the role of digital government in its conventional delivery of public services and in ensuring business continuity, it has also brought about innovative ways in managing the crisis, such as in contact tracing, e-health, online learning, and remote working.

#### About the UN E-Government Survey

The UN E-Government Survey, published by the UN Department of Economic and Social Affairs (UN DESA), is prepared over a two-year period following an established methodology. It looks at how digital government can facilitate integrated policies and

services across 193 UN Member States. The Survey supports countries' efforts to provide effective, accountable and inclusive digital services to all and to bridge the digital divide and leave no one behind.

(1) This blog is an amended version of the accompanying <u>UN</u> <u>press release</u>

# Public financial management weaknesses can lead to corruption

### Mauritania's experience



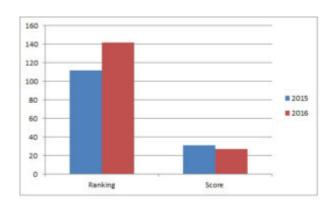
### Global corruption trends

Two recent reports on Global corruption trends highlight a

number of states facing serious challenges and our analysis indicates some interesting links between corruption and standards of public financial management.

Transparency International's recently released 2016 Corruption Perceptions Index for 2016 indicates that Mauritania's ranking deteriorated noticeably in 2016 compared to the previous year. The full data set for all 176 countries is available <a href="here">here</a> and the Mauritanian data is shown at Figure 1.

Figure 1: Transparency International Corruption Perceptions
Index Mauritania results 2015-2016



The World Economic Forum's 2016 Global Competitiveness Survey, released on 15 September 2016, included the results of their annual Executive Opinion Survey which aims to measure critical concepts affecting the business environment such as the incidence of corruption. This survey shows that Mauritania was ranked 124<sup>th</sup> out of the 138 countries for corruption. The World Economic Forum's 2016 Global Competitiveness Survey report is available here.

We have developed a spreadsheet showing (i) the country rankings for the World Economic Forum's Executive Opinion Survey (not publicly available) and reported corruption impediment scores and (ii) a comparison of the Transparency International and World Economic Forum survey results that are available for 125 countries. Contact us if you would like to receive a copy of our spreadsheet.

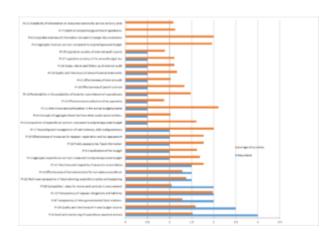
We have found that there is a significant overall negative correlation between the scores in the two surveys (a Pearson coefficient of -.78).

### Mauritania's poor PFM and poor corruption performance

Mauritania's corruption rankings in both surveys are relatively poor with scores falling in the bottom 20% of the two surveys. Many developing countries, including Mauritania, face significant challenges in addressing corruption. We have previously identified a wide range of actions that governments (as well as the private sector) could take to assist in reducing corruption levels that include improving a range of public financial management practices in our blog International Development and the Challenge of Public Sector Corruption.

Last year we examined the Public Expenditure and Financial Accountability (PEFA) results of the twenty-four countries, including Mauritania, that published PEFA assessments during 2013-2015. Nine of the twenty-four countries studied, including Mauritania, had PEFA results indicating relatively weak public financial management; Mauritania was ranked 19<sup>th</sup> out of the twenty-four countries studied using a scoring system that the IMF has previously employed. Mauritania recorded relatively poor scores in a number of key PFM activities that are important in reducing corruption including payroll controls, internal audit, financial reporting and external audit; details are shown at Figure 2; this chart can be viewed in more detail here.

Figure 2: Mauritania PEFA indicators' relative performance



Seventeen of the above-mentioned twenty-four countries feature in Transparency International's 2016 Corruption Perceptions Index. Sixteen countries (Ghana is the exception) recorded below —average scores in TI's 2015 and 2016 surveys; details of the 2015 and 2016 scores and the percentage change between these periods are presented in Table 1.

Table 1: TI 2015-2016 scores for 2013-2015 PEFA assessment countries

	PEFA score	TI 2016 score	TI 2015 score	% change in 2015-2016 scores
Armenia	60	33	35	-5.71%
Azerbaijan	61.5	30	29	3.45%
Belarus	49	40	32	25.00%
Bosnia & Herzegovina	50	39	38	2.63%
Burkina Faso	58.5	42	38	10.53%
Congo Republic	21	20	23	-13.04%
Gambia	32	26	28	-7.14%
Ghana	27.5	43	47	-8.51%
Guinea-Bassau	14.5	16	17	-5.88%

Kyrgyz Republic	49.5	28	28	0.00%
Macedonia	44.5	37	42	-11.90%
Madagascar	25.5	26	28	-7.14%
Mauritania	26.5	27	31	-12.90%
Mongolia	42	38	39	-2.56%
Nepal	50.5	29	27	7.41%
Papua New Guinea	21.5	28	25	12.00%
Timor-Leste	36	35	28	25.00%

With ten of the seventeen countries in Table 1 recording either no change or a deterioration in their scores in 2016 (including Mauritania), the negative Pearson correlation between overall 2013-2015 PEFA scores and TI corruption scores for these countries strengthened from -0.41 in 2015 to -0.56 in 2016 pointing to the possible impact that poor PFM may have in facilitating corruption in the public (and private) sectors.

The World Bank noted in November 2016 that "Mauritania's PFM system remains weak". If countries, such as Mauritania, employ robust anti-corruption strategies, including actions to address key PFM weaknesses currently influencing corruption levels, they may in time be able to make some progress in curbing corruption.

Need to resolve a public financial management problem? <u>Inquire</u> now to schedule an initial online meeting.