







Liz Nerad | Palladium



May, the Ukraine Ministry of Digital Transformation showcased their "state in a smartphone" application, Diia, at an event in DC, sponsored by USAID and other partners including Visa and Google.org. The event, which felt more like the launch of a new Apple product, highlighted Ukraine's transformative initiative to bust bureaucracy and corruption, while empowering a resilient society and economy during the Russian invasion.

Diia connects over 19 million Ukrainians with more than 120 government services and has been used to support displaced Ukrainians and others impacted by the war. The event served to jumpstart the adoption of systems like Diia in other countries and to showcase the digital ways that people can connect with their government.

Following an <u>announcement earlier this year</u>, USAID Administrator Samantha Power reiterated that the "Ministry of Digital Transformation is working to make Diia an open source digital public good that it will give to other countries so that they can build digital public infrastructure that serves their citizens." Both Power and Ukraine's President Zelenskyy have noted that code is already being shared with Estonia and they plan to collaborate with other countries including Colombia, Kosovo, and Zambia to "export Diia," improve current systems, and develop new citizen centric services.

But "exporting" tech is easier said than done. When considering how Diia—or any digital public good—can be adapted at scale in a new context, a practical analysis of the digital ecosystem is needed. So, while Ukraine is willing to share its approach and technology, there are a few things countries thinking of adopting the system should understand to ensure a successful launch.

It Starts from the Top

The driving force behind Diia is the government of Ukraine's vision to offer 100% of public services through the app. While e-government initiatives were already underway in Ukraine, Zelenskyy's vision boosted the digital agenda to perform the necessary reforms and the right capability.

The government created a parliamentary committee on digital transformation and a Ministry of Digital Transformation and appointed a representative from each government Ministry and department to serve as Deputies to enable effective and centralised implementation of digital reforms with a common vision.



Treating the eventual Diia solution as a product meant developing a brand that embodied the culture change that Diia would enable and got the state acting more like a start-up than a bureaucracy. This also meant bringing in public servants who are "digital natives" with both the vision and the technical and cultural understanding for transformation. This has allowed for an app that looks great and is easy to use, while still fulfilling the needs of the state. Countries will need this high level buy-in to work across ministries and sectors and chart a vision for the many investments it will take to bolster the digital ecosystem.

A Look Under the Hood

Users access Diia through a sleek mobile application that consolidates all government services into one easy-to-use interface. The sleek interface, however, is the external layer to a more complex architecture on the back-end. Diia is connected to over 100 state registers where data is housed and managed. Interconnecting them requires a complex set of standards and interoperability protocols that allow for information to be securely exchanged across ministries, sectors, and levels of the government.

This architecture not only requires investment to build, but notably, legislation that mandates it. It takes good governance and coordination across all these systems to ensure the super-app aligns with data exchange standards and protocols. Ukraine looked to other countries like Estonia, who borrowed code and experience from

X-Road to be leveraged for Diia, which is now contributing to the GovStack digital <u>public good</u>. Other countries aspiring to implement similar architectures will need to establish these standards and protocols that to be consistently applied across their systems and registers, with strong governance and coordination by the stewards of specific registries and information.

Digital Enablers

Ukraine and any countries that adopt Diia will aim for near full adoption of e-government services, and digital connectivity is a prerequisite to ensure that the shift to digital doesn't lead to exclusion. Currently, 79% of the population uses the internet in Ukraine, which is a much higher average compared to low- and middleincome countries where closer to 26% and 56% of the populations use the internet, respectively. The public's digital literacy and culture, and ability to connect to the internet, are integral aspects to consider for countries looking to adapt and implement a product like Diia.

Further, from the onset, Diia's plan included a digital literacy and skills component to ensure citizens would have access, and to develop the future state of digital workforce. Diia Education provides tailored digital skills training courses based specific citizen profiles, ranging from landscape design to project manager and baker.

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There's even a curriculum catered towards Ukraine's older citizens, or those of the "elegant age," ensuring that the transition to fully digital does not leave anyone behind. Fostering a culture of a foundational digital culture amplifies the impact that a product like Diia can have, as well as enabling citizens to build skills that will be integral as the workforce landscape shifts taking advantage of digitally-enabled opportunities. Learning from Diia Education, a country's digital skilling initiative should be tailored to future workforce and labour opportunities, building new skills that can help reintegrate those in occupations that we may see less of due to automation and artificial intelligence.

Voice of the Citizen

Diia was conceived with the needs of the Ukrainian people at the centre and continues to evolve to meet changing needs through clearly articulated business use cases. Shortly after taking office, Zelenskyy conducted an online survey of over 90,000 Ukrainians, which identified challenges such as engaging with government employees, confusion over which web portals and interfaces to use, and lack of digital identification to enable services.

Listening to citizen needs and then demonstrating commitment to deliver on them goes a long way in shifting the culture from that of a bureaucracy to one that is accountable, adaptable, and efficient. Now, it's commonplace for the government to engage citizens through polling and incorporate feedback into designs when considering new initiatives. This demonstrates how digital can enable more inclusive governance and civic engagement, while simultaneously designing digital products and services to be more inclusive of citizen needs.

To reap the full benefits of digital government, a vibrant and open civil society with a culture of citizen engagement sets the foundation.

Follow the Money

When Diia was conceived, Deputy Minister Fedorov at the time said that <u>no state</u> <u>budget had been allocated</u> for the development of new systems or training. He placed his faith in "an effective team and international technical assistance, public-private partnership, and volunteerism." COVID-19 brought an expedited shift to digital, followed by the Russian invasion, proving the Deputy Minister right. Diia is currently

supported by a myriad of development partners, and private companies like Visa and Google. And in many ways, Diia is what is enabling further investment to flow to Ukraine, especially from the U.S., given the ability to provide digital paper trails and demonstrate that funding is being allocated in a transparent way.

While the full cost of implementing something like Diia isn't known or easy to quantify, significant investment will be required for countries to go fully digital. Public-private partnerships play an increasingly important role in national level digital transformation; however, each country will have unique partnership opportunities based on the local market actors and investment opportunities. For example, telcos, especially in sub-Saharan Africa, play an increasingly important role in digital payments that could be used for payment between governments and citizens.

Advancing Digital Public Infrastructure

In addition to the data architecture, foundational digital public infrastructure has made Diia easier to scale. And it's also the connective tissue that links physical digital infrastructure with useful applications, enabling an ecosystem of easy to-use digital products and services facilitated by unique digital identification of citizens, payments, data exchange and consent networks. Combined, this infrastructure, is for example, what allows for citizens to make and receive payments through the application, like paying their taxes. By investing in frictionless payment systems, digital IDs and data exchange, citizens could receive cash payments during the pandemic to incentivise vaccinations. The same infrastructure, including citizen data, was then reused to disburse cash assistance to internally displaced people during the war.

In 2021, new legislation was passed in Ukraine that made digital ID on par with physical IDs, making it illegal not to accept a digital ID. This is the foundation for authenticating identity in Diia and making citizen centric registries connect. And it's not just used by government but also enables an ecosystem for other private sector applications and services to plug in, building trust through routine interactions.

Digital public infrastructure is high on the G20 agenda this year, with digital economy ministers reaching a shared definition of what is and how it can enable development outcomes. This consensus has led to the establishment roadmaps and resources that can be adopted by countries looking to plan, finance and implement their digital public infrastructure and encourages further sharing, reuse and adaptation of the digital public goods comprising of this infrastructure.



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Looking Ahead

As Ukraine looks ahead to the year 2030, they envision being the most digital and convenient country in the world. Digital transformation will have replaced bureaucratic processes, but they acknowledge that 500,000 former public servants also must be successfully integrated into the new economy.

This reality considers that digital transformation must transcend institutions or government and be considered from a "whole of society perspective." In many countries around the world, bureaucracies thrive when alternatives and incentives aren't in place. An ecosystem driven approach, like Diia, provides a foundation for all stakeholders in a country to inclusively participate in their digital future.



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