

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	Suriname
▪ TC Name:	Digital Catalysts for National Development
▪ TC Number:	SU-T1158
▪ Team Leader/Members:	Wilks, Jason Malcolm (ICS/CGY) Team Leader; Paz Gonazalez, Santiago (IFD/ICS) Alternate Team Leader; Manzur Madariaga, Michelle (IFD/ICS); Berlanda Custodio da Silva, Cleide (VPC/FMP); Hoepel, Lucas (CCB/CSU); Vaurof, Francine (CSD/CCS); Villa Saint-Etienne, Sara (LEG/SGO)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	22 April 2022
▪ Beneficiary:	Governments of Suriname
▪ Executing Agency:	Inter-American Development Bank
▪ IDB funding requested:	US\$430,000.00
▪ Local counterpart funding:	US\$48,500.00 (in-kind contribution)
▪ Disbursement period:	24 months (the execution period will be 18 months)
▪ Types of consultants:	Individual; Firms
▪ Prepared by Unit:	IFD/ICS - Innovation in Citizen Services Division
▪ Unit of Disbursement Responsibility:	CCB/CSU – Country Office Suriname
▪ TC included in Country Strategy (y/n):	No
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Institutional capacity and rule of law

II. Objective and Justification

- 2.1 The objective of this technical cooperation (TC) is to advance the digital maturity of the Government of the Republic of Suriname by producing strategic planning resources and pilot initiatives for optimizing digital service delivery. This TC will strengthen the capacity of state agencies to securely deliver digital services at the corporate and institutional level using catalysts considered fundamental for digitalization. The three specific objectives are to: (i) design integrated delivery mechanisms for digital public goods; (ii) enhance the cybersecurity strategic framework and operational capacity; and (iii) develop digital solutions for natural resource management.
- 2.2 Regional governments are moving with urgency to deliver on the promised benefits of e-government and Suriname intends to be at the vanguard. A recently concluded Digital Readiness Assessment done by the United Nations Development Program found Suriname's state of readiness to be strong and 'systematic' – i.e. the country is systematically advancing on digital transformation based on identified priorities. For example, Suriname's ICT vision goals 2030 notes that currently 50% of citizens are daily internet users and 60% have access to internet¹. The 2030 goal is for the internet usage rate to be 85%, with 70% being active e-services' users.

¹ <https://ict-as.sr/wp-content/uploads/2021/11/ICT-Vision-2030-print-version.pdf>

- 2.3 Despite the noteworthy progress by the state to drive digital transformation, the country has not kept pace with global trends and faces challenges in graduating to the next level of digital maturity. Suriname's ranking on the United Nations e-Government Development Index declined from 110 in 2016 to 122 in 2020 out of 166 countries. The government's ability to facilitate the transition is also low as Suriname's Online Service Index, which measures a government's capability and willingness to provide services and communicate with its citizens electronically, was below regional averages: 0.29 compared to 0.50 and 0.59, respectively.
- 2.4 Seeking to arrest these trends, the Government of Suriname has taken concrete action to improve policy coordination and implementation of e-government reforms. In April 2021, by way of Presidential decree, the President of Suriname established a Presidential Working Group on E-government Development (E-PWG), comprising 13 members spanning public and private sector organizations with the E-Government Unit serving as the Secretariat. The E-PWG was mandated to conduct an integral situational analysis of ICT within the government; review the legal and regulatory framework for the delivery of digital public services; and develop protocols, standards and guidelines for said digital public services to government, business and citizens. Towards fulfilling their mandate, the E-PWG prioritized three areas for urgent institutional strengthening - integrated platforms for providing public services; critical infrastructure cybersecurity; and digital management of state assets.
- 2.5 Comparative analyses on countries that have closed the digital capacity gap and improved their global e-government rankings emphasize their progressive convergence on digital solutions that are standardized across multiple agencies and generate cost efficiencies². Realizing these efficiencies requires the presence of three institutional pillars - a robust digital identification system, a centrally managed system for exchanging data across government agencies and a regulatory authority for issuing digital certificates to authenticate the credentials of individuals and firms for transactional public services. Presently, these systems are either not optimized or do not exist in Suriname, thereby limiting the state's capacity to use existing administrative data to quickly verify citizen identity and facilitate transactional public services. For example, Suriname only has a sub-registration rate of 6%³. The E-PWG is working on a national digital identification solution but must embed the solution in an appropriate framework for connecting this system to the existing population register and ensuring verification occurs as seamlessly as possible. They now seek to engage Estonia's e-Governance Academy to assist them in conducting the necessary studies and developing the appropriate strategic framework for shared services, owing to previous technical support received and the Academy's expertise in similarly supporting other Caribbean states.
- 2.6 Amidst increasing vulnerabilities to cyberthreats globally, Suriname has shown little improvement in the second area of cybersecurity, according to the 2020 report on cybersecurity in the region conducted by the Bank in partnership with the Organization of American States⁴. The Directorate of National Security retains a cybersecurity incident response team (CSIRT) but the team is under-staffed and does not have capacity beyond the institutional level. The E-PWG intends to convene a stakeholder committee to determine the correct course for establishing a national CSIRT but, as the regional report denotes, the local market for cybersecurity professionals is very limited, thus underscoring the need for technical support for organizational capacity building.
- 2.7 The third priority area arises from a related need to secure the post-pandemic economic recovery of the country and ensure that illicit financial outflows have a minimal impact

² Fishenden, J., & Thompson, M. (2013). Digital government, open architecture, and innovation: why public sector IT will never be the same again. *Journal of public administration research and theory*, 23(4), 977-1004.

³ Roseth, B., Reyes, A., Farias, P., Porrúa, M., Villalba, H., Acevedo, S., ... & Fillottrani, P. (2018). *Wait No More: Citizens, Red Tape, and Digital Government*. Inter-American Development Bank.

⁴ <http://dx.doi.org/10.18235/0002513>

on state revenue. The Surinamese economy is heavily reliant on its natural resources such as gold and other minerals. Small-scale or artisanal mining of these resources is currently unregulated by the state, which presents particularly vexing problems related to unpaid taxes from earnings, occupation of land without title, the use of under-age labor and the overmining of areas to depletion with no plan in place for reuse or restoration⁵. The Ministry of Natural Resources (MNR) has sought the intervention of the E-PWG to improve the electronic monitoring of natural resources via the development and implementation of a digital database (platform) for registration of mining activities. Developing a digital platform to aid the management and monitoring of small-scale mining activities in the interior of Suriname will result in banning informal and illegal mining activities, better sectoral coordination and enforcement of the mining decree.

- 2.8 **Complementarity.** The Bank has established itself as a trusted partner for digital transformation initiatives throughout the sub-region, with multiple investment operations in e-government and public sector modernization such as JA-L1072; JA-L1073; JA-L1074; BH-L1045; and BA-L1046. The TC will leverage the lessons gained from the execution of such operations towards building the knowledge base of Suriname's key government stakeholders in the critical areas of digital identity, interoperability, cyber-security and the management of information systems. More recently, the Bank has also supported digitalization efforts in the aftermath of the COVID-19 pandemic through regional TCs such as RG-T3753, RG-T3868 and RG-T3364. Moreover, the Bank has further consolidated its support in the digitalization area through collaboration with Estonia's e-Governance Academy to establish a regional hub for technical support on digital government for member states throughout the sub-region. The Bank is therefore uniquely positioned to support Suriname in tackling the specific challenges of establishing a robust platform for the digitalization of the state and the national economy.
- 2.9 **Alignment.** This TC is aligned with Vision 2025 and the Second Update of the Institutional Bank Strategy 2020-2023 (AB-3190-2), particularly the cross-cutting issue of "Institutional Capacity and Rule of Law", which focuses on issues related to the volume, quality and timeliness of government services, all of which are impacted by digital government. Additionally, this TC reflects efforts under the sub-regional strategy initiative, Build Forward, with its focus on advancing technological solutions that will produce more resilient people and institutions in keeping with the sustainable development pathway defined by each Caribbean member country. The TC also aligns with the three Strategic Development Program for Institutions (GN-2819-1) objectives to (i) contribute to public policies and institutions that are more effective, efficient, open and citizen-centered; (ii) improve service delivery to citizens; and, (iv) strengthen enforcement of the rule of law, citizen security, and the fight against corruption as well as the Corporate Results Framework 2020- 2023 (GN-2727-12).
- 2.10 The work of this TC aligns with the third priority area within the 2021-2025 Bank Group Country Strategy for Suriname, which refers to improving basic services and social protection. Additionally, the cross-cutting issues of climate change resilience; data production and access; institutional capacity; and the rule of law are in keeping with the objectives and activities under the project. The operation is also aligned with the operating guidelines for application and implementation of the Japanese Special Fund. Specifically, because it supports policy and strategy formulation/implementation activities with priority in C and D Countries.

⁵ Hilson, G.M. (Ed.). (2003). *The Socio-Economic Impacts of Artisanal and Small-Scale Mining in Developing Countries* (1st ed.). CRC Press. <https://doi.org/10.1201/9780203971284>

III. Description of Activities and Outputs

- 3.1 **Component I: Design Integrated Delivery Mechanisms for Digital Public Goods (US\$147,000).** Under this component, the TC will support the E-PWG to engage e-Governance Academy to (i) conduct a diagnostic assessment and costed action plan for system upgrades to the population register and a secure data exchange platform for better provision of transactional public services. This component will also support designs for the upgrading and digitization of the civil registry.
- 3.2 **Component II: Enhance Cybersecurity Strategic Framework and Operational Capacity (US\$139,000).** Under this component, the TC will provide financing to (i) develop the national cybersecurity strategy; (ii) conduct a requirement's analysis and design a roadmap for creating a national cybersecurity incident response team; (iii) pilot the use of open-source solutions to aid the CSIRT in protecting critical infrastructure; and (iv) deliver a cybersecurity awareness campaign through appropriate media channels such as social media, radio, television programs, and official websites.
- 3.3 **Component III: Develop Digital Solutions for Natural Resource Management (US\$192,500).** Under this component, the TC will facilitate the design and implementation of a geospatial tracking system for mining personnel, to know whether they have moved to another working area in order for MNR to impose rehabilitation costs, environmental fees or taxes and to verify if that area is actually issued under a mining right or if it is free domain land.
- 3.4 **Expected Results.** The expected result of this TC is the institutional strengthening of the Surinamese government to collect, analyze and use data to inform digital strategies and develop capacity to further adapt government architecture to facilitate digital transformation. The direct beneficiaries include senior civil servants and project managers tasked with implementing digital initiatives related to interoperability, digital identity and cybersecurity as well as senior environmental protection personnel who must oversee institutional reforms to secure the country's environmental heritage.
- 3.5 The total budget of the TC will be US\$478,500, with financing via resources from the Japanese Special Fund (JSF) in the amount of US\$430,000 and in-kind contributions to the sum of US\$48,500 from the Government of Suriname.

Budget

Activity/Component	IDB Funding	Counterpart Funding	Total Funding
Design Integrated Delivery Mechanisms for Digital Public Goods	US\$130,000.00	US\$17,000	US\$147,000.00
Enhance Cybersecurity Strategic Framework and Operational Capacity	US\$125,000.00	US\$14,000	US\$139,000.00
Develop Digital Solutions for Natural Resource Management	US\$175,000.00	US\$17,500	US\$192,500.00
Total	US\$430,000.00	US\$48,500	US\$478,500.00

IV. Executing Agency and Execution Structure

- 4.1 The Executing Agency will be the Inter-American Development Bank (IDB), through the Innovation in Citizen Services Division (IFD/ICS), in accordance with the guidelines and requirements established in the Technical Cooperation Policy (GN-2470-2) and in the TC Operational Guides (GN-2629 Guidelines-Annex 10, Section 2 (d)). The TC will be implemented over 24 months, with execution expected over an eighteen-month period. The Innovation for Citizen Services Division is well equipped to manage this operation and to assure the coordination needed, owing to similar experiences executing digital government reform initiatives currently being implemented in the sub-region, including BA-L1046 (Public Sector Efficiency Program); RG-T3998 (Advancing Digital States in the Caribbean); and TT-L1042 (Implementation of the Integrated Financial Management Information System).
- 4.2 The activities to be executed under this operation will be included in the Procurement Plan and carried out in accordance with the Bank's established procurement methods, namely: (a) Hiring of individual consultants, as established in the regulations AM-650; and (b) Hiring of consulting firms for services of an intellectual nature according to GN-2765-4 and its associated operating guides (OP-1155-4).

V. Project Risks and Issues

- 5.1 Overall, no significant risks are expected for this operation. Within the recent context of a global pandemic, project implementation may experience some delays related to the ability of consultants to travel freely to and throughout Suriname. However, the Bank will promote the use of digital tools and communication channels by consulting firm personnel to execute their activities in a timely manner, where appropriate.
- 5.2 With regards to Components II and III, there is a risk of a limited number of technical service providers able to deliver technical advice and capacity building support in Dutch, the primary language of Suriname. To mitigate this risk, the Bank will work with the GoS to ensure sufficient market research is done to identify all potential consultants that could viably participate in a competitive procurement process or collaborate as local counterparts for international firms seeking to provide consultancy services.
- 5.3 For Component III, the primary risk relates to the lack of willingness among senior government officials to fully engage in the deliberative processes necessary for finalizing action plans and recommendations for organizational reforms. By ensuring that sensitization efforts of these oversight actors preempt the technical work contemplated under this component, the Bank will ensure that the consultative processes are meaningful and in keeping with the expectations of these actors concerning the extent and speed of reforms to be undertaken.

VI. Exceptions to Bank Policy

- 6.1 This operation does not foresee any exceptions to Bank policy.

VII. Environmental and Social Classification

- 7.1 This TC will not finance feasibility or pre-feasibility studies of investment projects or associated environmental and social studies; therefore, it does not have applicable requirements of the Bank's Environmental and Social Policy Framework (MPAS).