Chapter 1. Building the foundations for a digital government in Argentina

This chapter provides a general a background on the Digital Government Review of Argentina, its structure and development process. It highlights the contribution of this review to other OECD work in Argentina, underlying how this ongoing collaboration is in line with the public sector reform agenda in Argentina. The chapter also provides a set of key indicators on the national economic, connectivity and digital government contexts.

Introduction

The strong and close collaboration between the OECD and the government of Argentina has increasingly grown over the last years. This *Digital Government Review of Argentina* adds to the broader activities of Argentina's OECD Action Plan, which was presented by the Argentinian government to the OECD in the context of the Meeting of G20 Finance Ministers and Central Bank Governors held in Baden-Baden, Germany, on 17-18 March 2017.

In March 2017, Argentina requested to adhere to the *OECD Recommendation of the Council on Digital Government Strategies*. The OECD approved Argentina's request in February 2019. Argentina's adhesion to the aforementioned OECD Recommendation underlines its commitment to adopt OECD principles and follow OECD best practices on digital government.

This review is part of a series of studies carried out by the OECD in Argentina led by the OECD Directorate of Public Governance. These studies include the OECD Reviews of Open Government, Regulatory Policy, and Public Sector Integrity. In this context, this review contributes to the construction of good governance in the country, and reflects the willingness of the Argentinian government to learn from and adapt OECD best practices to its own national context.

This and the above-mentioned reviews support Argentina's holistic efforts to implement public sector reforms, thus fitting into the broader reform agenda for the country, which covers other policy areas such as open government and public sector integrity.

Consequently, the different teams within the OECD Secretariat in charge of the above-mentioned parallel reviews have collaborated to ensure the alignment of policy findings in order to ensure the provision of mutually reinforcing policy messages.

The OECD Digital Government Review of Argentina

This review was prepared in the context of the ongoing restructuration of the government of Argentina (September 2018). The Ministry of Modernisation (MoM), the original main counterpart for this study, was moved to the Chief of Cabinet of Ministers Office in September 2018. As a result, the former MoM was turned into the Government Secretariat of Modernisation (Secretaría de Gobierno de Modernización, SGM).¹ This review will therefore:

- refer to the "Ministry of Modernisation" or "the then MoM" when presenting, discussing and highlighting digital government initiatives that took place prior to the restructuration of September 2018
- refer to the newly established "Government Secretariat of Modernisation" or "SGM" for any future recommended actions and policy interventions provided to the Argentinian government by the OECD.

A series of activities were carried out in the preparation of this review in order to collect knowledge from different actors within and outside the Argentinian public sector, namely:

• The OECD peer review mission to Buenos Aires, Argentina, 5-9 March 2018. The peer review mission benefited from the participation of the OECD Secretariat and peers from OECD member countries, namely Mr. Enrique Zapata, Office of the President, Mexico; Mr. Daniel Hernández, Ministry of Public Administration, Mexico; Mr. Timothy Szlachetko, Ministry of Local Government and Modernisation, Norway; and Ms. Gemma del Rey Almanza, Ministry of Finance and Public Administration, Spain.

- The organisation of interactive workshops and follow-up meetings in Buenos Aires, 25-27 July 2018 and September 2018. These workshops aimed to discuss the preliminary findings of the review with actors from inside and outside the public sector. The findings of these workshops were used by the OECD Secretariat to prepare the final key findings of the review.
- Discussion on the preliminary findings at the OECD Working Party of Senior Digital Government Officials (E-Leaders). The preliminary findings of the review were presented and discussed with delegates from OECD member and partner countries during the last meeting of the E-leaders, which was held in Seoul, Korea on 30-31 October 2018. The meeting provided an ideal opportunity to discuss the review with high-level public officials in charge of the design and implementation of digital government policies across OECD member and partner countries.
- The launching of the key findings of the Digital Government Review in December 2018. The OECD Secretariat presented the key findings of the review to high-level public officials on 13 December 2018. This was also an opportunity to organise an additional workshop to discuss the key findings with different actors and collect more information for the finalisation of the review.
- **Presentation and discussion of the key policy recommendations in April 2019.** The OECD Secretariat presented the key policy recommendations of this review in the margins of the 59th Session of the Public Governance Committee held at the OECD Conference Centre on 15-17 April 2019. The meeting also benefited from the participation and presentation of officials from the Government Secretariat of Modernisation of Argentina.

This review focuses on the following strategic policy areas of analysis:

- the governance for digital government in Argentina, including the institutional, legal and policy frameworks (Chapter 2)
- public sector competence for policy implementation, including ICT commissioning (Chapter 3)
- the development of digital innovation skills in the public sector (Chapter 4)
- public service design and delivery, including key enablers, standards and multichannel access to digital services (Chapter 5)
- data-driven public sector, including data governance, data management practices and open government data (Chapter 6).

The road towards a digital government: The OECD approach

The assessment presented in the following chapters draws upon the *OECD Recommendation of the Council on Digital Government Strategies* (OECD, 2014) (Figure 1.1), which provides a set of 12 strategic recommendations to help governments to move from e-government towards digital government (Figure 1.2).

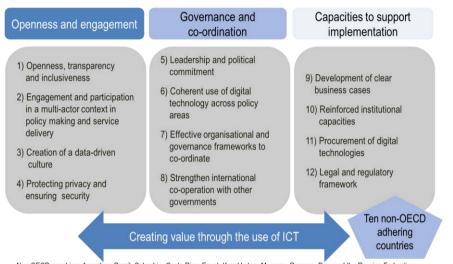
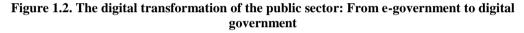
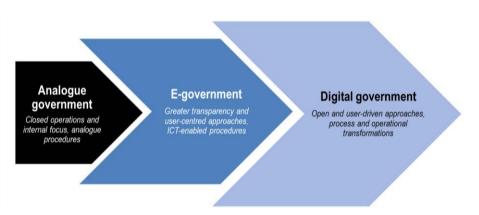


Figure 1.1. 2014 OECD Recommendation of the Council on Digital Government Strategies

Non-OECD countries: Argentina, Brazil, Colombia, Costa Rica, Egypt, Kazakhstan, Morocco, Panama, Peru and the Russian Federation.

Source: Based on OECD (2014), OECD Recommendation of the Council on Digital Government Strategies, www.oecd.org/gov/digital-government/Recommendation-digital-government-strategies.pdf





Source: Based on OECD (2014), *OECD Recommendation of the Council on Digital Government Strategies*, www.oecd.org/gov/digital-government/Recommendation-digital-government-strategies.pdf.

This *Digital Government Review of Argentina* takes stock of the efforts, challenges and achievements of the Argentinian government to date in order to support its transition towards a full digital government.

The analysis presented in the following chapters highlights the key enablers of digital government as identified by the OECD's Framework for Digital Government (OECD, forthcoming):

• **Focused on users:** The extent to which governments are adopting approaches and taking actions that focus on citizens and businesses (i.e. users of the services) letting these express their own needs, which serve to drive the design of policies and public services.

- **Proactiveness:** The extent to which a government reaches out to the public without waiting to react to formal requests. This includes: data disclosure (in open formats), with the exception of data that the government is required to protect due to privacy or security; service delivery to the users before it is requested; governments proactively seeking feedback directly from citizens about the quality of services; and enabling citizens to access real-time information on public services.
- **Data-driven:** The extent to which a government informs and approaches the design, delivery and monitoring of public policies and services through the management and use of data.
- **Digital by design:** The extent to which a government embeds the full potential of digital technologies when formulating policies and designing services. This involves mobilising new technologies to rethink and re-engineer internal processes and simplify internal procedures in order to deliver the same efficient, sustainable and citizen-driven services, regardless of the channel used by the user to interact with the public authorities.
- **Government as a platform:** The extent to which governments use technologies (and data) to harness the creativity of people in groups and create collaborations to address policy challenges.
- **Open by default:** The extent to which a government uses digital technologies to engage and collaborate with all actors and collect insights towards more collaborative, evidence-based, user- and data-driven policy making; share government data in open and machine-readable formats (within the framework of data protection, security, confidentiality and privacy protection legislation); and open up to external knowledge in order to co-design its processes (e.g. policy life cycle, public service delivery and ICT commissioning).

The Argentinian context: Learning from the past to move forward

Key economic indicators

Argentina's per capita income was among the top ten in the world a century ago, when it was 92% of the average of the 16 richest economies, but by July 2017, this level had decreased to 43% when compared to those same 16 rich economies (OECD, 2017).

Since the 1960s Argentina has experienced a series of complex economic, social and political challenges. It has faced volatility (Figure 1.3) in terms of economic growth "due to poor economic policies and weak institutions", and has "persistently lost ground relative to OECD countries and also relative to Latin America, hurting living standards and weakening confidence in public institutions" (González Pandiella, 2018).

In the early 2000s, Argentina faced economic crisis and recession aggravated by public debt and the decline of the export prices of its most relevant agricultural products (Salvia, 2015). The fixed US dollar (Argentinian peso convertibility rate, set in the 1990s) contributed to the appreciation of Argentinian exports, and had created commercial deficit by the end of the 1990s (Rapoport, 2000). Altogether, this scenario caused uncertainty in terms of economic stability, resulted in capital outflows at the macro level and a strong government response to prevent bank runs, thus freezing bank accounts and impeding citizens to withdraw their savings in US currency. This context led to political instability in the years that followed.

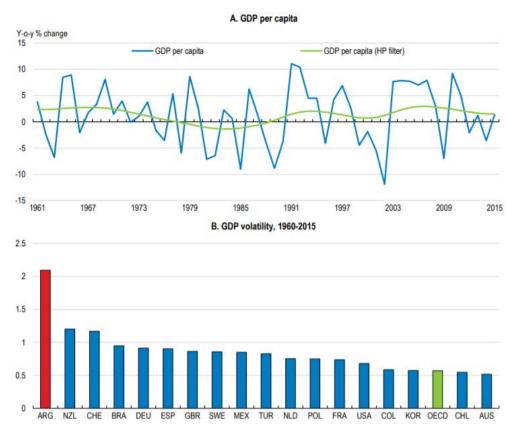


Figure 1.3. GDP per capita and GDP volatility, Argentina

Source: González Pandiella, A. (2018), "Structural reforms to boost growth and living standards in Argentina", https://dx.doi.org/10.1787/53180378-en with data from the World Bank World Development Indicators Database and OECD Economic Outlook 100 Database.

In addition, a series of government corruption scandals had an impact on public trust in government. Argentina scores 39 in the 2017 Corruption Perception Index developed by Transparency International, close to the average score of 38 in the region but far from the OECD and G20 averages (68 and 54 respectively; on a scale from "0, highly corrupt" to "100, very clean") (OECD, 2019). Still, Argentina's score for 2017 improved by 4 points from 2014 (35).

Yet, despite these challenges, Argentina has managed to move forward in recent years. For instance, estimates from the World Bank indicate that despite growing inequality rates (as measured by the GINI Index) between 1990 and 2001 (from 46.8 to 53.3), with a peak of 53.8 in 2002, the GINI Index for Argentina had decreased to 41.4 in 2014 (Figure 1.4).

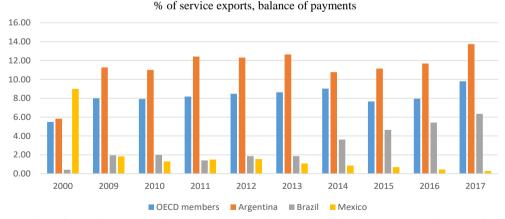


Figure 1.4. GINI Index, Argentina

Source: Based on data from the World Bank's Poverty & Equity Data Portal, <u>http://poverty/data.worldbank.org/poverty/country/ARG</u>.

In addition, Argentina is following a clear long-term policy to evolve towards a knowledgebased economy and society. By 2008, technology hubs were spreading at the local level. This resulted from the propagation of innovation-driven start-ups propelled by the growing availability of high-skilled technology professionals, and the underlying educational system and policies supporting them (ProsperAr, 2008).

This was confirmed by the OECD during the fact-finding missions to Buenos Aires in March and July 2018. Cities such as Mendoza, Cordoba and Buenos Aires are leading the way in terms of business digital innovation. Altogether, these local initiatives contribute to Argentina's expansive and regional leading role in terms of ICT service exports and to its competitive advantage in this area (especially when compared with other countries in the region, such as Mexico, which has a less diversified export mix) (OECD, 2017).





Note: Information and communication technology service exports include computer and communications services (telecommunications and postal and courier services) and information services (computer data and news-related service transactions).

Source: Based on data from the World International Monetary Fund, Balance of Payments Statistics Yearbook and data files, <u>https://databank.worldbank.org/data/home.aspx</u>.

Connectivity

In October 2018, the central government launched the National Telecommunications and Connectivity Plan (Plan de Telecomunicaciones y Conectividad) in an effort to increase broadband Internet access across the country, with an aim on rural areas.²

The three axes of the plan include:

- 1. infrastructure: deployment of the necessary resources to guarantee the expansion and quality of the services
- 2. regulatory framework: modernisation and adaptation of regulations to accelerate the development of the sector
- 3. digital inclusion: development of digital skills to facilitate employment and multiply opportunities for personal growth.

By December 2018, the Telecommunications and Connectivity Plan's achievements included: 702 rural localities and 1 404 rural schools connected to the Federal Fiber Optic Network; and the deployment of 28 772 km of illuminated fibre optic and 697 Wi-Fi points across the country. These results show a considerable improvement in relation to reducing digital connectivity gaps when compared to figures from December 2015, when only 17 localities were connected to the Federal Optic Fibre Network and a total of 6 500 km of illuminated optic fibre were deployed.

Data for 2017/Q4 from the National Statistics Office (INDEC, 2017) show that for households with people aged four years old or more, the rates for home-based Internet access, computer access and mobile-phone accessibility are 74.3%, 44.8% and 81.2% respectively. However, disparities and opportunities arise when these figures are aggregated by educational attainment.

The National Statistics Office's data demonstrate lower levels of home-based Internet access for less educated households in Argentina (no education and basic education). For instance, only 46.8% of households with no educational background have home-based Internet access compared to 80.5% of households that have a complete secondary education and 93.8% of households with a complete tertiary education (Table 5.2).

Disparities also exist when comparing data on home-based computer access by educational attainment. For example, 85.5% of households with a basic education do not have access to computer whereas only 26.8% of homes with a complete tertiary education do not have such access.

Altogether, these results indicate that there are still some challenges in terms of digital inclusion and digital rights in Argentina, with less educated households facing greater challenges to access basic digital tools such as mobile phones, computers or the Internet. However, results also show areas of opportunities for the government to invest further efforts. This could, in turn, lead to a democratisation of digital public service delivery in Argentina.

For instance, figures for mobile phone access progressively increase from 34% to 96.5% between households with no educational background and those with the highest level of educational attainment (incomplete/complete tertiary education).

This therefore provides a window of opportunity for investing more resources in the delivery of mobile-based public services (e.g. through the Mi Argentina mobile app), and underlines the importance of continuing to invest efforts in mobile-based solutions while maintaining multi-channel access to public services.

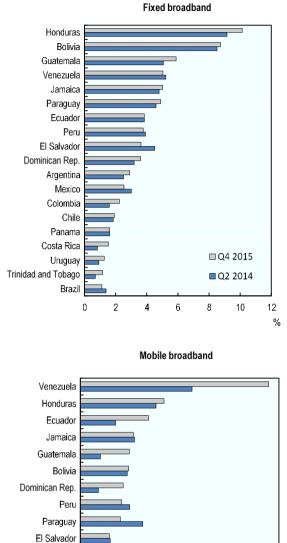
	Internet			Computer			Mobile phone		
	Yes	No	n.a.	Yes	No	n.a.	Yes	No	n.a.
No education	46.8	53.1	0.1	21.9	77.8	0.3	34	65.9	0.1
Basic education (incomplete)	59.7	40.2	0.1	36.7	63.1	0.2	51.6	48.4	0
Basic education (complete)	45.7	54.2	0.1	14.4	85.5	0.1	72	27.9	0
Secondary education (incomplete)	80.9	19	0.1	43.8	56.1	0.1	89.3	10.6	0
Secondary education (complete)	80.5	19.4	0.1	43.3	56.5	0.1	92.4	7.6	0
Tertiary education (university, incomplete)	94	5.9	0.1	72.7	27.2	0.1	97.4	2.6	0
Tertiary education (university, complete)	93.8	6.2	0.1	73.1	26.8	0.1	96.5	3.5	0

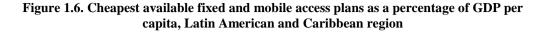
Table 1.1. Internet, computer and mobile-phone access by education level

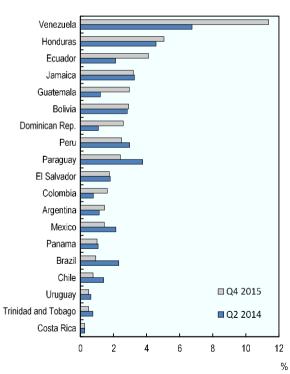
% of households, data for households with population aged 4 years old or more, 2017/Q4

Source: INDEC (2017), "Acceso y uso de tecnologías de la información y la comunicación: EPH", <u>https://www.indec.gov.ar/uploads/informesdeprensa/mautic 05 18.pdf</u>.

Also, challenges remain in terms of ensuring the sustained affordability of fixed and mobile broadband access in Argentina. For instance, data for the second quarter of 2014 and 2015 showed an increase of 0.39% and 0.32% in the cost of the cheapest available plans of fixed and mobile broadband access plans respectively (as a percentage of GDP per capita) OECD/IDB (2016) (Figure 1.6). Other countries in the region such as Brazil and Mexico showed a decrease of these costs over the same period. Thus, there is a need to keep investing to ensure all population groups benefit from broadband access policies.







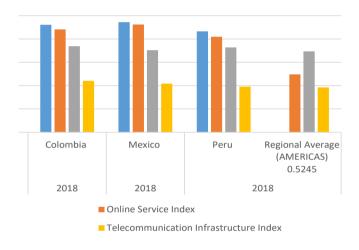
Source: OECD/IDB (2016), Broadband Policies for Latin America and the Caribbean: A Digital Economy Toolkit, https://dx.doi.org/10.1787/9789264251823-en, with data from DIRSI (2015), DIRSI Broadband Price Database, Dialogo Regional sobre Sociedad de la Información, http://dirsi.net/web/web/en/publicaciones/detalle/broadband-in-latin-america--market-prices-and-trends-.

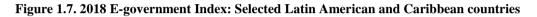
DIGITAL GOVERNMENT REVIEW OF ARGENTINA © OECD 2019

E-government and open data indicators

In terms of e-government, Argentina ranks 5th in the 2018 edition of the UN E-Government Index among a group of 35 countries in the American continent, after the United States, Canada, Uruguay and Chile (United Nations, 2018).

Argentina indeed shows a clear advantage in terms of human capital (measured in terms of adult literacy, expected and mean years of schooling, and gross enrolment ratio) and telecommunications infrastructure (e.g. access to the Internet, fixed and mobile broadband, telephone) when compared with some of its peers in the region. However, it lags behind in terms of e-participation (e.g. proactive or at-request publication of public sector information, citizen deliberative engagement and co-creation of policy solutions), and online services (including, for instance, the implementation of citizen-centric approaches for public service design and delivery)³ (United Nations, 2018) (Figure 1.7).





Source: OECD with data from United Nations (2018), *E-Government Survey 2018*, <u>https://publicadministration.un.org/egovkb/en-us/Reports/UN-E-Government-Survey-2018</u>.

Argentina has also shown development in areas related to digital government. For instance, it ranked 17th in the Global Open Data Index (GODI) for 2016. While the GODI methodology changed substantively between 2015 and 2016, restricting the possibility of comparing results over time,⁴ this represents an improvement of 34 positions when compared to the results for 2015.

Yet, challenges remain in terms of increasing the engagement of users and promoting the reuse of open government data (see Chapter 6) beyond strictly measuring the availability of information and/or data taxonomies; the reuse of open government data in line with the OECD analytical framework for open government data policies, including the OECD Open Government Data Survey and the OECD Open Useful and Re-usable data (OURdata) Index.

Other developments include the launching of MiArgentina, the platform for digital public service delivery, and the development of a paperless government as part of Argentina's modernisation efforts (see Chapter 5).

Also, since 2015, Argentina has aimed to reconnect with the international community. It chaired the G20 during 2018, hosting the G20 summit in Buenos Aires on 30 November-1 December 2018, which was the first time a G20 Summit was organised in Latin America.

Argentina also took over the role of co-chair of the Open Government Partnership Steering Committee in October 2018, and organised the International Open Data Conference in Buenos Aires on 27-28 September 2018.

All of the above-mentioned initiatives underline the commitment of the current administration, in power since 2015, to take forward the digital government and open government agenda in the country, often building these efforts from the ground up.

The analysis provided in the following chapters and the accompanying policy recommendations aim to support the Argentinian government in moving forward in this regard, and in building a public sector where actors from within and outside can be better connected.

Notes

- 1. See: <u>https://www.boletinoficial.gob.ar/#!DetalleNormaBusquedaAvanzada/190820/20180</u> 905.
- 2. For more information see: <u>https://www.argentina.gob.ar/planconectividad</u>.
- 3. For more information on the methodology used for the calculation of the UN E-government Index, see: <u>https://publicadministration.un.org/egovkb/Portals/egovkb/Documents/un/2016-Survey/Annexes.pdf</u>.
- 4. For more information see: <u>https://index.okfn.org/methodology</u>.

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