



Harnessing Digitalisation for Stronger Local Governance

Factsheet

VNG International's approach to
digitalisation

About VNG International

VNG International is the International Cooperation Agency of the Association of Netherlands Municipalities (VNG). Rooted in the Netherlands' rich tradition of local governance, we invest in empowering local governments worldwide to build better futures for all. Established in 2001, we focus on practical and innovative solutions that enhance the capacity and resilience of local governments.

VNG International designs and manages large, complex projects across a variety of sectors, collaborating with a diverse range of donors, including the Ministry of Foreign Affairs, European Commission, World Bank, and USAID. We take pride in our ISO-9001 certified quality management system, which underpins our commitment to high standards and client satisfaction. Our success is driven by our ability to combine local expertise with international knowledge, enabling us to implement solutions that are both practical and effective.

Together with local governments and their citizens, we are creating resilient, thriving communities that are equipped to face the future. At VNG International, we are not just building projects, we are building better futures for all.

Digitalisation: Empowering Local Governments for Transparent, Data-Driven Governance

Digitalisation is a transformative force, driving growth, enhancing resilience, and reshaping public sector operations. Through digitalisation, local governments can foster more accountable, efficient, and transparent governance, which reduces corruption, improves public services, and strengthens democratic institutions. Digital platforms and data analytics offer municipalities the ability to efficiently streamline processes, and make informed, data-driven decisions. This not only enhances the quality and delivery of services but also fosters trust, reinforcing the social contract between citizens and their local governments. As VNG International, we therefore identified 6 digital values that we adhere to.

Key focus areas in local government regarding digitalisation include:

- **E-services:** Enhancing online public service delivery for citizens and businesses.
- **Registry digitisation:** Modernizing land, property, and citizen records.
- **Geographic Information Systems (GIS):** Using spatial data analysis for decision-making and services, such as crisis response and urban planning.
- **Public Finance Management:** Automating local tax collection, improving transparency and financial oversight.
- **Regulations and data protection:** Establishing legal frameworks for compliance and safeguarding digital data.
- **Digital governance:** Creating transparent and accountable decision-making processes.
- **Anti-Corruption:** Implementing mechanisms to detect and prevent corruption.
- **Civic engagement:** Strengthening digital communication and participation tools to foster dialogue between citizens and government and build trust.
- **Democratic values:** Ensuring digital technologies uphold the core values of democratic societies, such as transparency, inclusion, and trust.



Our approach to Digitalisation

Our working approach is anchored in **data-driven decision making**. This is crucial for local governments to accelerate digital transformation which serves as a means to improve public service delivery and fostering more informed, effective, and sustainable governance practices.

A key initial step in this journey is assessing a local government's **digital maturity**. Understanding the current state of digital capabilities is crucial for determining the appropriate path forward. To this end, we developed a **Digital Maturity Index** tool, that helps local governments map their current digital landscape and identify the steps needed to achieve their aspirations. To guarantee a fit-for-purpose solution that is applicable across diverse global contexts, the tool is being carefully developed and piloted in several countries where we operate.

Once this foundational step is taken, the possibilities for leveraging data-driven processes are endless. They can enhance the efficiency of processes, provide actionable insights for decision-making (for instance anticipate school and teacher capacity based on population growth estimates), and build accountability through transparency. Additionally, data-driven systems enhance support functions, such as help desks (for instance, online application for permits and birth registry), and as such contribute to an



improved “local ease of doing business”. By collaborating with local digital service providers the digital ecosystem is further enhanced. Digitalisation of municipal processes and services can also facilitate knowledge-sharing among cities and municipalities through digital hubs, fostering collaboration and mutual learning. We support local governments in setting a realistic action plan for digitalisation to achieve their political ambitions (fit-for-purpose) and support them step by step to pilot and implement new ways of working. In reality these are system transformations, a complex interplay of new governance processes, rethinking citizen engagement, alerting digital security, and, last but not least, a genuine cultural change.

Ultimately, this approach empowers local governments to become more resilient and adaptive, providing them with the capabilities and resources needed to address contemporary challenges and advance long-term sustainability goals.

Our digital values



Do no harm

Measures are taken to mitigate the possibility of harm. If this is not possible, data is not collected. Participation is always voluntary and people are not pressured into taking part.



Added social value

Data collection and use must have added social value and the benefits and costs to different stakeholders are considered.



Accessible and safe infrastructure

The digital infrastructure for data collection and processing is available and accessible for everyone. Technology used is safe, transparent, linkable and has open interfaces. It is compliant according privacy and security laws and regulations and uses open standards.



Transparency first

We are as transparent as possible over the data we collect and process.



Parties connected

We collaborate when desired or needed. When possible data and expertise is shared.



Data rights organised

Data is open, transparent, and shared unless laws and regulations, safety risks or data ownership prevents this.

Data Use for Flood Community Early Warning System

Where

Benin

When

2023-2026

Flooding is an annual challenge in the Lower Ouémé Valley, Benin. Since 2014, Benin's government has worked on a national Flood Early Warning System (EWS) across 21 at-risk municipalities, yet timely alerts rarely reach local communities, resulting in human and economic losses. As part of the PSL Eau project, a Community Early Warning System (Community EWS) now operates in 33 villages across four municipalities, connecting to the national EWS to enhance local alert levels and provide faster warnings. Through 27 colored beacons and a mobile app, residents can monitor water levels directly, report conditions, and receive alerts, allowing them to take timely preventive measures. By putting citizens in control of early warning alerts, they are more alert to the first signs of floods.

The connection to the national EWS facilitates a timely flow of information between local communities and national authorities, enabling timely action at all levels. Data sent via the app reaches the National Civil Protection Agency (ANPC) and the Water General Directorate (DG Eau), where it's verified and disseminated locally. This verification step, along with data centralization at the national level, strengthens the "technical" EWS models based on hydrometrical stations' pluviometry data. For areas not yet covered by one of the

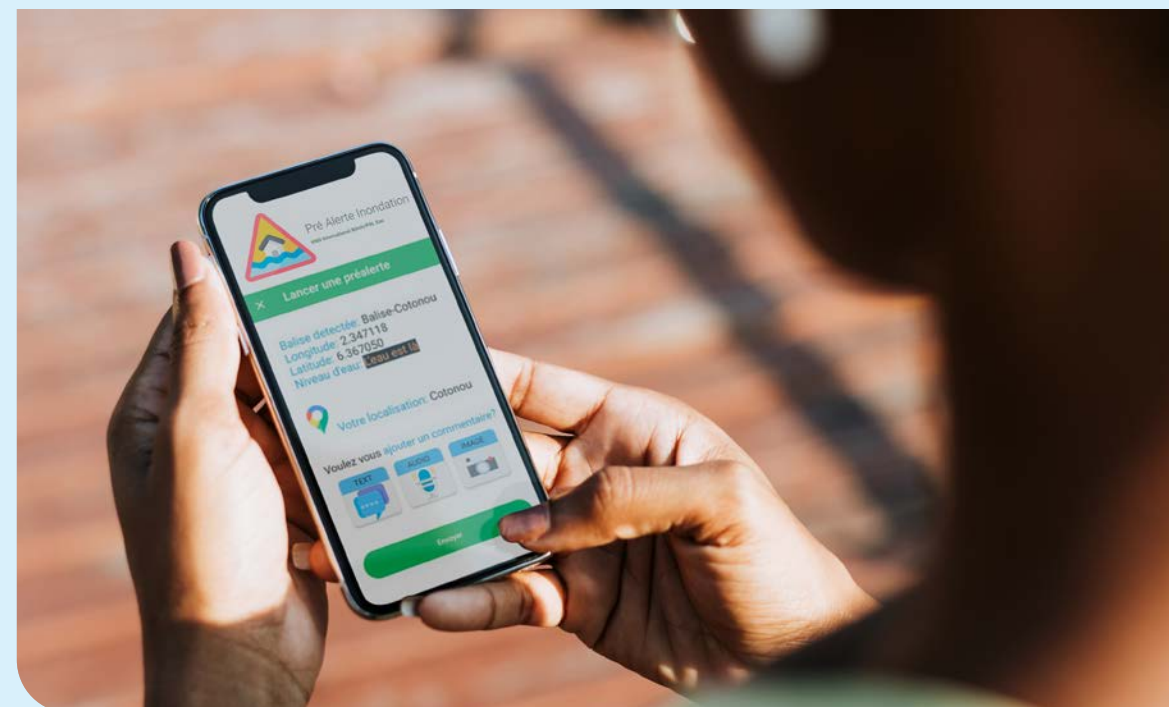
stations, the objective is for community-sourced data to inform and refine national hydrographic models. This integrated approach ensures that local and national efforts are harmonized, leading to more effective flood management and mitigation strategies.



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Early Warning
Systems here



Municipal Property Tax Development

Where
Mozambique
When
2022-2026

The overall goal of the Municipal Property Tax Development project in Mozambique is to increase the financial resources of local governments to enable them to catalyze local economic development and shaping more sustainable futures for their communities. This is done in two provincial capitals: Chimoio and Beira. Mozambican municipalities have a mandate to collect own-source revenue for several taxes and fees. This project focuses on increasing own source revenue (OSR) with a particular focus on Property Tax (IPRA) since this is one of the most prevalent taxes.

To strengthen the capacities towards increased own source revenue, the project aims to achieve the following objectives. First of all, one of the objectives is to foster inter-municipal technical collaboration. By the establishment of inter-municipal working groups, different departments within both municipalities (IT, Tax, Planning and Communication) were brought together to create a collaborative learning environment. Secondly, by procuring high-resolution aerial images and a new urban mapping process the municipal registry processes have been enhanced since the localization of buildings has been improved at cadastral level. The urban mapping targeted the most potential and viable areas of the cities for increased property tax collection. Thirdly, the IT Departments of the municipalities of Beira and Chimoio, with technical support from VNG International and Kadaster International, developed a common IT vision to foster the tax-digitalisation processes. The currently existing IT systems that support the Cadastral, Construction, and Tax processes were used as a starting point for the creation of a common IT vision. This has led to the creation of an expression of interest to select an IT developer, working on a joint evaluation mission to Tete Municipality. Collaboratively, they will continue to work on revolutionizing tax collection and enhancing efficiency and service delivery in Mozambique.



Dutch Societal Innovation Hub

Where
Netherlands
When
2022-2025

The Dutch Societal Innovation Hub (DSIH) is a collaborative initiative aimed at strengthening interregional cooperation in the public sector through a mission-driven approach that leverages data and digital technologies. This initiative was formed by VNG (Association of Netherlands Municipalities) and IPO (Association of Provinces of the Netherlands) together with 5 public-private ecosystem hubs that are active in the development and implementation of digital innovation and knowledge exchange of solutions for societal challenges. The DSIH aims to create a learning environment for the digital and green transition by establishing a shared innovation infrastructure that supports upscaling digital solutions and enhance ecosystem services to increase the digital maturity of the public sector.

The overall mission of DSIH is to achieve a sustainable, healthy, and safe quality of life in cities and regions. To accomplish this, DSIH focuses on four objectives:

- Developing a cross-sectoral, mission-driven approach to support **digital transformation** and activate systemic change for societal impact.
- Enhancing the accessibility of innovation facilities and best practices, facilitating “**test before invest**” activities and maturing innovation processes.
- Organizing activities for the consortium partners that reinforce each other ensuring that validated **solutions meet public service demands efficiently**.
- Creating **knowledge transfer and incorporating learnings**, based on proven methodologies to create synergies in upscaling innovation, both within the DSIH consortium and through cooperation with other European Digital Innovation Hubs (EDIHs).

Sustainable Futures Through Local Recovery and Development Plans

Where

Ukraine

When

2022-2024

In 2023, the Ukrainian government launched the Digital Restoration Ecosystem for Accountable Management (DREAM) platform. This platform aims to collect and publish the registration of reconstruction projects from target communities in real-time. After successful registration, the system enables communities to find matching funds and secure financing for their project initiatives. On top of that, a whole ecosystem is facilitated where all necessary information is provided at all stages of the project's life cycle. This includes for instance the integration of modules for public hearings and monitoring tools which ensures community involvement and enhancing legal protection. All in all, this will foster effective and transparent project management, and enhances the integrity of the reconstruction efforts.

The SDLG Ukraine programme has reached significant results by utilising the DREAM platform. The SDLG Ukraine programme supports 15 communities in the development of local recovery and development plans, including the design of reconstruction projects. To fully leverage the aforementioned benefits, SDLG Ukraine programme advocates for the importance of utilising the DREAM ecosystem by informing and encouraging the community representatives to enter their priority projects into the database. Additionally, the programme provided comprehensive training to target community officials on how to use the DREAM platform effectively, and how to enhance their capacity for project documentation and management. As a result, the target communities who previously lacked experience with digital platforms, successfully registered their projects marking a significant shift towards transparent and accountable project implementation. Specifically, this resulted in the registration of 8 out of 56 projects in Beryslav, 7 out of 34 projects in Kherson, 21 out of 58 projects in Ochakiv and 25 out of 72 projects in Vysokopillia.

A sample of VNG International's key products on digitalisation:

- Digital Maturity Assessment and Index Tool (2025)
- Toolkit on the community-led Early Warning System, including a mobile application (2022)
- TaxMan – digital tooling of local taxes, for data collection (e.g. Property taxes), bill distribution and e-billing (2018)
- Toolkit for Digital Citizen Surveys for Data Driven Municipal Decision-Making and Municipal Service Improvement (2023)





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