



Enhancing Local Governance: How the private sector can support data capacity in South Africa's municipalities

By **Stuart Morrison** and **Nnaemeka Ohamadike**

Enhancing Local Governance: How the private sector can support data capacity in South Africa's municipalities

By Stuart Morrison and Nnaemeka Ohamadike

Executive summary

According to the World Bank's Statistical Capacity Index¹, South Africa ranks among the highest on the African continent. This strong foundation positions the country at the forefront of Fourth Industrial Revolution (4IR) technologies, particularly in leveraging government and open-access data to address national and subnational challenges. Cities like Cape Town and eThekweni have established Open Data Portals (ODPs) – online open-access data repositories that enhance transparency, improve service delivery tracking, and help identify pressing socioeconomic and infrastructure challenges. These portals not only benefit municipal decision-making but also provide businesses with valuable datasets to identify investment opportunities, market trends, and areas for social innovation.²

Despite these benefits, South Africa faces challenges in expanding and sustaining ODPs, particularly at the local government level. This presents a unique opportunity for the private sector to support local governments in the development and maintenance of ODPs. Using Cape Town and eThekweni as case studies,

this report examines why private sector involvement in OPDs is crucial and how such partnerships can strengthen local governance, drive economic innovation, and foster inclusive urban development.

A call to action

Private sector collaboration with local government to enhance ODPs promotes data-driven governance. This benefits commercial and community interests by enabling and driving business innovation, improving service delivery, and unlocking economic opportunities. It is therefore important for the private sector to invest in data infrastructure and skills development, foster Public-Private Partnerships and provide technical expertise. Ultimately, developing a capable, data-driven state requires cooperation and support from the private sector.

1 World Bank (n.d). Statistica Capacity Score. <https://databank.worldbank.org/metadataglossary/world-development-indicators/series/IQ.SCI.OVRL>. Accessed 12/02/2025. Statistical Capacity Index (SCI) measures how well countries collect, manage, and disseminate data, using a scale from 0 (lowest capacity) to 100 (highest capacity).

2 Olayiwola Bello, Victor Akinwande, Oluwatoyosi Jolayemi and Ahmed Ibrahim, "Open data portals in Africa: An analysis of open government data initiatives," African journal of library, archives & information science 26 no. 2 (2016): 97-106.

DISCLAIMER: All material is strictly protected by copyright and all rights are reserved. No portion of this report may be reproduced in any form without written consent from the publishers. The information contained herein is compiled from a wide variety of primary sources. Whilst every care has been taken in compiling this publication, the publishers do not give warranty as to the completeness or accuracy of its content. The views expressed in the publication are not necessarily those of the publishers, Good Governance Africa or its associates. Excerpts may be used as long as the source is fully credited. For longer or full versions, written permission must be obtained from the publishers.

Published by Good Governance Africa – The Mall Offices, 11 Cradock Avenue, Rosebank, Johannesburg, 2196, South Africa
All rights reserved. No content may be republished without the express authorisation of GGA.

 Best viewed with Adobe Acrobat Reader
<https://get.adobe.com/reader>

Recommendations

- The private sector should tailor its support for ODPs by developing ICT solutions that align with the unique needs and capacities of each municipality. By adopting a context-specific approach – similar to how Cape Town and eThekweni structured their ODPs – businesses can enhance data accessibility, usability, and impact.
- The private sector can invest in data-free apps, especially for disadvantaged communities; this can mitigate the digital divide, which currently undermines the benefits of ODPs, including promoting transparency and accountability.
- The private sector can support data relevance and coverage by collaborating with municipalities to conduct data assessments to identify the most valuable datasets.
- Local businesses can provide real-time and localised data (e.g., transport, environmental, and subnational business data) to improve data accuracy and reliability.
- In supporting ODPs, it is imperative that the private sector does not replace the municipality. To mitigate this risk, tech and data companies can provide expertise and training to strengthen data literacy for public servants.

Enhancing the effectiveness of ODPs through collaboration

Across Africa, governments at all levels face challenges in improving service delivery, governance efficiency, and urban management, especially amidst rapid urbanisation and technological change. The growing focus on smart city strategies highlights how data-driven solutions and the 4IR can reshape local governance.³ However, local governments tasked with implementing these strategies often encounter governance inefficiencies due to a lack of data, ICT infrastructure, technical expertise, and resources.⁴ Without robust data systems, governments operate in the dark and are less transparent and accountable.

The usefulness of data is contingent upon its accessibility. This principle underpins the concept of open data, which refers to publicly available information without legal restrictions. Such data can be used, reused, or modified for various purposes by different stakeholders. Open data systems are witnessing an upsurge in Africa and are increasingly becoming tools for enhancing governance, transparency, and accountability.⁵

For local municipalities, open data can speed access to data and identify information that requires speedy responses, thus assisting in managing poor service delivery, enhancing operational efficiency, and creating economic opportunities – benefits that extend to the private sector.⁶ Yet, Bello and others⁷ note that open data initiatives in Africa remain fragmented and unevenly developed, with limited interoperability, inconsistent licensing frameworks, and a lack of integration into governance systems. Local municipalities, in particular, face barriers which hinder their ability to fully leverage open data for improved decision-making and service.⁸ These challenges necessitate stronger public-private collaborations where businesses, technology firms, and

3 Mira Slavova and Ekene Okwechime, "African smart cities strategies for agenda 2063," *Africa Journal of Management* 2, no. 2 (2016): 210-229, doi:10.1080/23322373.2016.1175266; Academy of Science of South Africa (ASSAf), "The Smart City Initiatives in South Africa and Paving a Way to Support Cities to Address Frontier Issues Using New and Emerging Technologies," Report of the Innovation for Inclusive Development seminar (Pretoria, South Africa, September 2019); Judy Backhouse, Geci Karuri-Sebina and Jokudu Guya, "A South African Approach to Smart, Sustainable South African Cities and Settlements: Towards a SACN response to the COGTA National Smart City Framework," (Johannesburg: SACN and SmartCity.ZA, 2020).

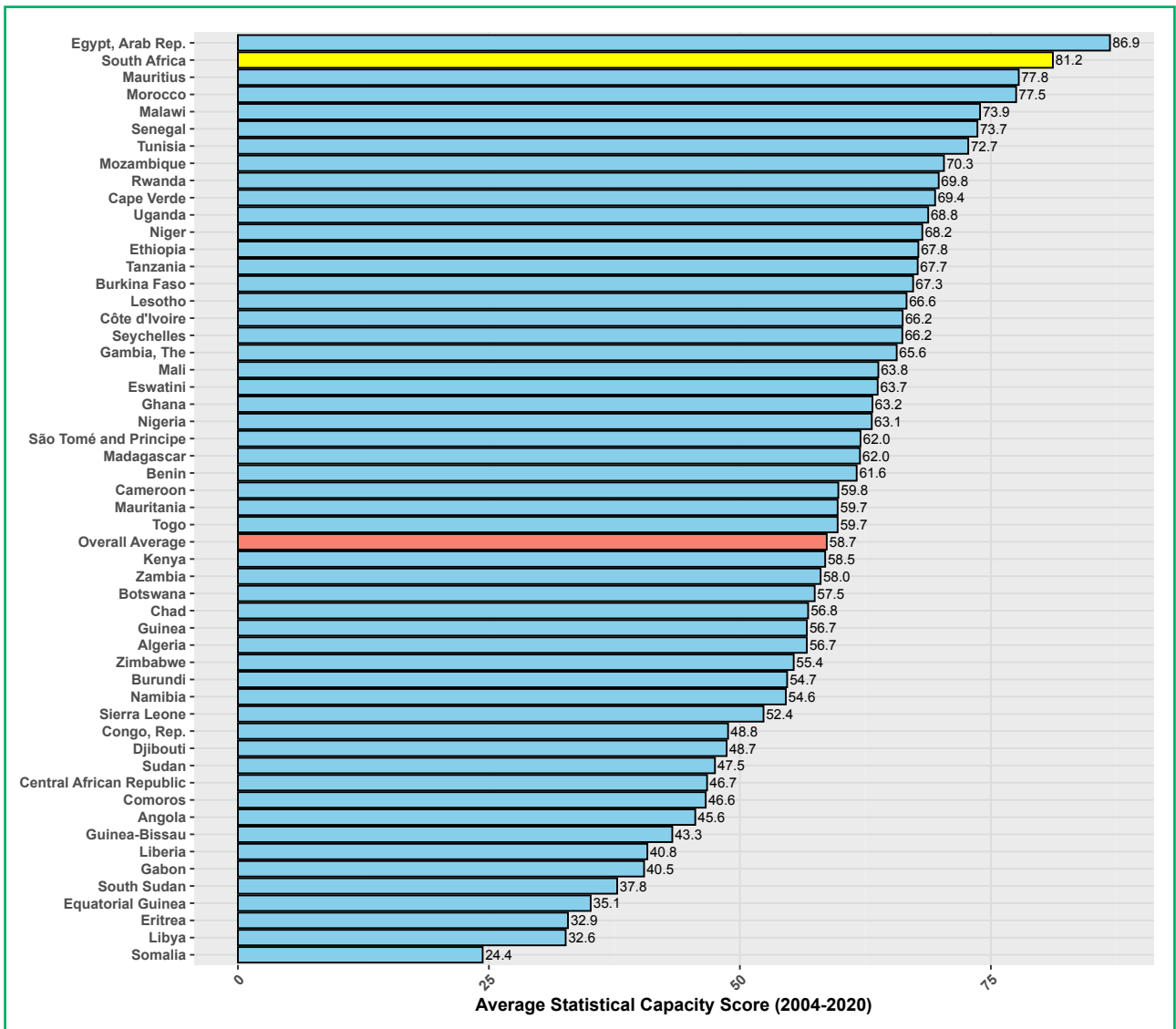
4 Stella Bvuma and Bwalya Kelvin Joseph, "Empowering communities and improving public services through open data: South African local government perspective," in *Governance Models for Creating Public Value in Open Data Initiatives*, ed. Manuel Pedro Rodríguez Bolívar & Kelvin Joseph Bwalya & Christopher G. Reddick (Springer, 2019): 141-160.

5 John Carlo Bertot, Ursula Gorham, Paul T. Jaeger, Lindsay C. Sarin, and Heeyoon Choi, "Big data, open government and e-government: Issues, policies and recommendations," *Information polity* 19, no.1-2 (2014): 5-16; Bello et al., "Open data portals in Africa: An analysis of open government data initiatives," *African journal of library, archives & information science* 26 no. 2 (2016): 97-106.

6 Bvuma & Joseph, "Empowering communities and improving public services through open data: South African local government perspective."

7 Bello et al., "Open data portals in Africa: An analysis of open government data initiatives."

8 Bvuma & Joseph, "Empowering communities and improving public services through open data: South African local government perspective."



Data source: World Bank (2023)

FIGURE 1: Average statistical score of African countries (2004 -2020)

civil society organisations contribute to strengthening local data systems.

Statistical capacity plays a vital role in advancing local data infrastructure. The World Bank’s Statistical Capacity Index (SCI) measures how well countries collect, manage, and disseminate data, using a scale from 0 (lowest capacity) to 100 (highest capacity).⁹ As Figure 1 shows, South Africa stands out in sub-Saharan Africa for its high statistical capacity, driven by national data initiatives like those from Statistics South Africa and independent data portals.

This advanced data infrastructure informs tools like the Governance Performance Index (GPI), which evaluates municipal government performance using local data.¹⁰ The GPI evaluates and ranks municipal government performance in South Africa using an array of local data sets. Moreover, open data initiatives in academia (like OpenUCT and CHET) and other independent data platforms contribute to South Africa’s strong statistical capacity.¹¹

Despite the high country-level score, many local governments in South Africa still rely on outdated or

⁹ World Bank (n.d), Statistical Capacity Score, Accessed 12/02/2025.

¹⁰ Good Governance Africa (GGA), “Governance Performance Index – South Africa 2024” (Johannesburg: GGA, 2024) Available: <https://gga.org/governance-performance-index-south-africa-2024/>

¹¹ Bello et al., “Open data portals in Africa: An analysis of open government data initiatives.”

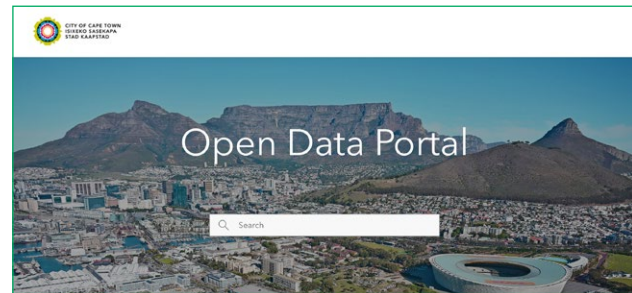
manual data management practices.¹² This, alongside other local government challenges such as financial constraints, poor urban service delivery, and a lack of technical capacity, makes them ill-prepared for fully digital governance solutions.¹³

The South African smart city vision emphasises a value-driven approach rather than mere technological sophistication.¹⁴ Thus, local municipalities must drive innovation, technology and openness and collaborate with citizens through their governance functions while receiving private and national government support. Easily accessible information can reduce citizen frustration and foster transparent and accountable governance. This is where private sector interventions (e.g., investments in ICT infrastructure, technological transfer, and developing data-sharing partnerships) can strengthen local governance capacity.

CASE STUDY: City of Cape Town Open Data Portal

Cape Town launched Africa's first Open Data Portal (ODP), the City of Cape Town "Open Data Portal", in 2015 as part of its long-term data strategy.¹⁵ Starting with 29 datasets, it has grown to over 120, covering topics from infrastructure to health.

While the ODP has no specific economic focus, it was designed to benefit the private sector. One example is the Economic Areas Management Programme (ECAMP)¹⁶ which tracks and assesses the business environment in each economic district in the city. This data helps businesses, especially smaller ones, with market insights and asset mapping.¹⁷ Including this tool on the ODP consolidates important datasets on one accessible platform.



Additionally, the ODP's socioeconomic data supports more effective Corporate Social Responsibility (CSR) efforts and Public-Private Partnerships (PPPs). By identifying priority investment areas and community initiatives¹⁸, businesses can better align their resources with local needs.

Despite these benefits, Cape Town's ODP faces challenges. A key issue is accessibility – ensuring that data is usable, especially for non-experts. While the platform hosts a vast database, without dashboards or exploration tools, navigating the data is difficult. This limits its accessibility, particularly for smaller businesses without in-house data expertise.

Another drawback of the ODP is the risk of data fragmentation. For example, Cape Town's ODP has extensive data on vegetation, while there is little to none on key demographics – an area that is more widely relevant for all stakeholders. While all data has value, datasets like demographic data have broader applicability for decision-making across multiple sectors. This highlights the need for a more strategic approach to data collection.

Overall, Cape Town's "Open Data Portal" is a significant achievement as it has laid the foundations for greater data utilisation within local government across South Africa. There are key challenges which need to be addressed for long-term sustainability and effectiveness as an open data initiative.

12 Bvuma & Joseph, "Empowering communities and improving public services through open data: South African local government perspective."

13 Ibid

14 Judy Backhouse, Geci Karuri-Sebina and Jokudu Guya, "A South African Approach to Smart, Sustainable South African Cities and Settlements: Towards a SACN response to the COGTA National Smart City Framework?"

15 Luke Boyle, "Laying the Foundations for Open Data in South African Municipalities," in SMART CITIES PAPER SERIES: SMART GOVERNANCE IN SOUTH AFRICAN CITIES (Johannesburg: South African Cities Network, 2020), 17-22, https://www.sacities.net/wp-content/uploads/2020/10/Smart_Cities_Papers_Volume_1_Final-Draft.pdf#page=16.14; Britta Ricker, Jonathan Cinnamon, and Yonn Dierwechter, "When Open Data and Data Activism Meet: An Analysis of Civic Participation in Cape Town, South Africa," *Canadian Geographies / Géographies Canadiennes* 64, no. 3 (2020): 359-73, <https://doi.org/10.1111/cag.12608>; City of Cape Town, "Open Data Portal," accessed February 17, 2025, <https://odp-cctegis.opendata.arcgis.com/>.

16 Rushil Ranchod, "AI AND DATA IN SOUTH AFRICA'S CITIES AND TOWNS: CENTERING THE CITIZEN," Policy Action Network Topical Guides, AI and Data Series (Policy Action Network, March 2020), https://policyaction.org.za/sites/default/files/PAN_TopicalGuide_AIData4_CitiesTowns_Elec.pdf; "About ECAMP," accessed February 17, 2025, <https://web1.capetown.gov.za/web1/ECAMP/Home/About>.

17 "About ECAMP," accessed February 17, 2025; City of Cape Town, "Open Data Portal," accessed February 17, 2025.

18 City of Cape Town, "Open Data Portal," accessed February 17, 2025.

eThekwini's ODP

The eThekwini “Open GIS Data” platform was launched in 2019, positioning it as South Africa’s second metropolitan municipality to introduce such an initiative.¹⁹ Developed by the Economic Development and Growth in Ethewini (EDGE) programme, the ODP focuses exclusively on economic data to support business growth and economic transformation. While its primary audience is the private sector, the platform promotes accessibility by providing features such as data stories in both English and isiZulu to unpack some of the key insights.²⁰

As of 2020, the portal hosts around 14 datasets. Its narrower focus makes the platform more intuitive and offers easy access to key economic indicators like GDP, unemployment, and wages.²¹ It also has data on economic growth across business zones and helps simplify market research by translating key data into structured “data stories.”

Unlike Cape Town’s ODP, eThekwini’s portal was developed in partnership with civil society groups like Open Cities Lab (OCL) and the South African Cities Network (SACN).²² This collaboration ensures its sustainability beyond municipal political shifts, providing businesses with reliable, long-term access to key economic data.

However, despite its achievements in developing a data-driven approach towards addressing crucial economic challenges, the ODP faces several challenges that limit its effectiveness in achieving this aim.

One key issue is the limited range of data. While a focused approach prevents information overload, an overly narrow scope restricts users’ ability to analyse the broader context of the city. For example, while eThekwini’s workforce data is valuable, businesses also need insights into infrastructure quality and basic services, which are vital for economic planning.

Another challenge is limited capacity and skills, which affect the portal’s ability to promote economic

development and transformation. Such limitations affect the ability of stakeholders, such as businesses, to effectively and efficiently use the data for decision-making, innovation and PPPs. Furthermore, such limitations stemming from capacity issues can discourage stakeholders from using the platform.

While the municipalities of Cape Town and eThekwini have taken different approaches towards leveraging data for economic and wider urban development, there are key challenges, which the private sector can play a role in addressing.

Private sector’s role in local government ODPs

The private sector in general benefits from both a responsive government and access to key data about a city, district or municipality area.²³ Thus, support for initiatives such as ODPs enhances the ability of a municipality to provide key services, which in turn improves the business environment and investment opportunities. It also allows businesses both large and small, to benefit from the open-source data.²⁴ However, to fully maximise these key benefits, the private sector also has a key role in supporting local government efforts to improve data capabilities and access.

More specifically, the private sector can support local government in improving data relevance and coverage. Cape Town and eThekwini face distinct challenges in this regard – Cape Town has prioritised data supply, while eThekwini has focused on data demand. Though these approaches are shaped by their specific contexts, they have sometimes resulted in gaps in data relevance and coverage.

Businesses should, therefore, work alongside municipalities to assess district-level data needs, helping identify which datasets would be most valuable. This collaboration would enable cities to take a more strategic approach to their ODPs, ensuring that the data they prioritise aligns with the needs of relevant stakeholders. With such support, Cape Town could

19 Jokudu Guya and Jonathan Wilson, “The Durban EDGE Open Data Platform: Redefining Data Use in eThekwini,” in SMART CITIES PAPER SERIES: SMART GOVERNANCE IN SOUTH AFRICAN CITIES (South African Cities Network, 2020), 44–48, https://www.sacities.net/wp-content/uploads/2020/10/Smart_Cities_Papers_Volume_1_Final-Draft.pdf#page=44.08; “The Durban EDGE: Economic Data,” accessed February 17, 2025, <https://economy.edge.durban/>.

20 Guya and Wilson, “The Durban EDGE Open Data Platform: Redefining Data Use in eThekwini.”

21 “The Durban EDGE: Economic Data,” accessed February 17, 2025.

22 Guya and Wilson, “The Durban EDGE Open Data Platform: Redefining Data Use in eThekwini.”

23 Bello et al., “Open data portals in Africa: An analysis of open government data initiatives.”

24 Bvuma & Joseph, “Empowering communities and improving public services through open data: South African local government perspective.”

better balance data supply and demand, reducing gaps in coverage and identifying strategic areas of focus.

Furthermore, such partnerships can involve businesses providing real-time and relevant data to municipalities, such as transport, environmental, and subnational business data. This helps improve data accuracy by having a wider range of sources and being updated regularly.

Additionally, in both case studies, issues around accessibility and usability exist. While eThekweni puts more emphasis on front-end features, both cities could benefit from expanding their platform capabilities. This is another area where the private sector, particularly tech firms, can provide support for how to improve the platform and introduce features that work best. Tech companies tend to have more expertise and experience with how best to visualise large datasets to different audiences. In turn, such collaborations would also benefit these firms by improving the accessibility of government data and reducing the time and costs associated with processing complex datasets.

While lending such expertise and experience to local governments is useful in the short term, the dynamic between government and the private sector should not be one of reliance but partnership. To avoid such a dynamic, the private sector can support local municipalities by providing technical placements, internships and fellowships to upskill municipal workers and provide opportunities for young people, both in public and private sectors. By doing so, it addresses two key issues. Firstly, it ensures that municipalities are supported sustainably, to prevent the private sector from taking over its responsibilities. Secondly, it supports the professionalisation of the public service, which would ultimately improve the quality of services.

Lastly, the private sector must be more proactive in pursuing partnerships with both local government and civil society to enhance data capacity and accessibility. Access to reliable data is crucial to the development of cities and towns. As such, there needs to be greater emphasis on partnerships across the various sectors of society to ensure that such data can be fully leveraged to support local governments' core mandate.

Funding opportunity:

A key example of what such a partnership might look like is envisaged in Good Governance Africa and Baobab Corporate Governance's *Municipal Capacity Building Project*. The project aims to empower local municipal management teams to conduct governance self-assessments against KING IV standards using a new 'governance audit' technology platform. This data will then be used to develop a governance register that enables management teams to allocate resources more transparently and effectively towards optimal service delivery. By establishing basic governance procedures, municipalities will then be in a better position to utilise data received through ODPs to improve service delivery efficiency. Tech and data companies are invited to support this initiative by contacting GGA at info@gga.org.

Conclusion

South Africa, which has a strong statistical capacity at the national level, has sought to leverage data more effectively at a local level through Open Data Portals. However, while metros such as the city of Cape Town and eThekweni have seen several benefits from ODPs, there are still some challenges which need to be addressed.²⁵ The private sector, which benefits from publicly available data, can help support local governments by improving data relevance and coverage, enhancing platform usability and accessibility, building sustainable Public-Private Partnerships, and strengthening multi-sector collaboration.

Signature:	
Approved by:	Dr Ross Harvey
	Chief Research Officer at Good Governance Africa
Date:	4 March 2025

²⁵ Luke Boyle, "Laying the Foundations for Open Data in South African Municipalities," in SMART CITIES PAPER SERIES: SMART GOVERNANCE IN SOUTH AFRICAN CITIES (Johannesburg: South African Cities Network, 2020), 17-22, https://www.sacities.net/wp-content/uploads/2020/10/Smart_Cities_Papers_Volume_1_Final-Draft.pdf#page=16.14



For bespoke advisory services, contact our Good Governance Africa advisory services team.

Contact us

Tel: 011 268 0479

Email: info@gga.org

Web: www.gga.org

