Submissions from entities in the United Nations system, international organizations and other stakeholders on their efforts in 2021 to implement the outcomes of the WSIS

Submission by

Economic Commission for Latin America and the Caribbean

This submission was prepared as an input to the report of the UN Secretary-General on "Progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society at the regional and international levels" (to the 25th session of the CSTD), in response to the request by the Economic and Social Council, in its resolution 2006/46, to the UN Secretary-General to inform the Commission on Science and Technology for Development on the implementation of the outcomes of the WSIS as part of his annual reporting to the Commission.

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IMPLEMENTATION OF WSIS ACTION LINES IN LATIN AMERICA AND THE CARIBBEAN IN 2021

Input by ECLAC, United Nations

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EXECUTIVE SUMMARY

ECLAC as co-facilitator of actions lines (C1) the role of public governance authorities and all stakeholders in the promotion of ICTs for development, (C6) enabling environment and (C11) international and regional cooperation. During 2021, ECLAC promoted the objectives and principles adopted in WSIS, mainly through the work carried out within the framework of the eLAC2022 Digital Agenda for Latin America and the Caribbean, by fostering policy dialogue among members countries, leading research, providing technical assistance, training, and generating statistical information about the adoption of digital technologies.

After the adoption of the Digital Agenda for Latin America and the Caribbean, at the Seventh Ministerial Conference on the Information Society in Latin America and the Caribbean in 2020, ECLAC encouraged, with the support of the countries and member organizations of the eLAC2022 steering committee, the design and adoption of a regional cooperation program. This program includes 62 cooperation activities in the areas of capacity building, policy dialogue, technical cooperation, and knowledge sharing (reports and studies). This program is linked to the 9 areas of action of the Digital Agenda for Latin America and the Caribbean.

Much of the work carried out during 2021, as in 2020, was related to supporting the design of policies that facilitate the use of digital technologies to face COVID-19 and promote economic recovery. In this way, it was sought to generate activities that support the debate on the incorporation of digital technologies in the productive sector, especially the adoption of these technologies in SMEs, as well as support for sectorial digitization policies (eg agricultural sector and ecommerce). Along the same topics, ECLAC gave support to governments for the design of digital agendas at the national level. At the regional level, various activities were also carried out to promote the creation of a regional digital market through the harmonization and convergence of regulations. This work was carried out especially with the Pacific Alliance and Mercosur.

ECLAC also continued its work in 2021 in the production of indicators and statistics on the adoption of digital technologies. This work was related to the regional broadband Observatory and the creation of an Observatory on digital development.
To promote the WSIS principles and action lines, ECLAC has led various forums for debate on the design of digital policies at the regional level in 2021. Likewise, it produced several documents and reports on the dynamics of digital transformation in Latin America and the Caribbean to find best practices and policy recommendations that allow progress in closing gaps in the adoption of these technologies. Some of these activities are described below.

During 2021 one of the main topics of debate in LAC was the role of digital technologies in driving economic recovery. In this sense, ECLAC made various publications that sought to find evidence on tools and best practices in the use and adoption of digital technologies to face the pandemic. In 2021, ECLAC published Digital technologies for a new future, this document contributes to debate in favor of the use of digital technologies for economic recovery. Its content includes and analysis about the relationship between digitization and productivity, the impact of digitization in various production chains and the need for specific policies to recover from the effects of the pandemic encouraging a productive transformation. The document also examines the state of digital agendas in the region and gives some recommendations on regional cooperation mechanisms and the conformation of a regional digital market.

In 2021, ECLAC also publish the document Data and facts on digital transformation: report on the main indicators of adoption of digital technologies in the framework of the Digital Agenda for Latin America and the Caribbean. This report gathers a set of indicators and statistics on the status of the deployment of digital technologies in the region in various areas. The report, was prepared by ECLAC, in its capacity as Technical Secretariat of the Digital Agenda for Latin America and the Caribbean, with the collaboration of the Regional Center for Studies for the Development of the Information Society (Cetic.br).

Post Pandemic Covid-19 Economic Recovery: Enabling Latin America and the Caribbean to better harness e-commerce and digital trade, published in 2021 is another report that shows critical policy challenges in LAC to take advantage of e-commerce and accelerate digital transformation. In order to allow businesses and consumers to leverage economic recovery, governments need to tackle long-standing barriers to adopting digital technologies and bridging digital divides. The crisis should be a wake-up call for all actors to take actions to advance on consistent, long-term, and sustainable e-commerce strategies. The work for this report was coordinated by ECLAC, the InterAmerican Development Bank (IDB), and the ADELA regional program of the Konrad Adenauer Stiftung (KAS) and benefitted greatly from discussions in the context of the Digital Agenda for Latin America and the Caribbean.

The advancement of digital technologies is evident in all sectors of the economy. In this way, there is enormous potential to use these technologies to improve productivity and innovation in various activities. One of the sectors that has enormous potential in this regard is agriculture. To analyze this process, its opportunities and challenges, ECLAC published document Digitization and technological change in agricultural and agro-industrial MSMEs in Latin America. This paper identifies the changes and advances in the
field of agritech in nine countries of the region, with special emphasis on public policies and the inclusion of small farmers. This seeks to propose new ideas to promote a digitization process that helps accelerate a transition towards a more inclusive and sustainable food system.

SMEs, due to their impact on employment and the LAC economy, are central in the design of productive policy. In the report Digital transformation of MSMEs: elements for policy design published in 2021 ECLAC provides conceptual and practical tools to analyze the digital transformation process of firms in Latin America and the Caribbean. The heterogeneity of the penetration digital technologies in firms is related, among other factors, to the size of the businesses, the sector to which they belong and the context in which they operate. In this framework, the report presents a set of concepts, questions and distinctions that can contribute to the design of policies for the digital transformation of businesses.

ECLAC, within the framework of the report on foreign investment in Latin America and the Caribbean presented in 2021, carried out an analysis on investment trends in sectors linked to the digital economy. This report was able to analyze some investment trends, particularly in the field of 5G technology. Likewise, it was possible to demonstrate the market value that some platforms reached in the region, in segments such as electronic commerce and how this puts pressure for the revision and updating of normative and regulatory frameworks.

In 2021, ECLAC organized several webinars and meetings about the design of policies for the adoption of digital technologies. As part of these initiatives, were the organization of specific sessions within the framework of the WSIS 2021 Forum, specifically the “WSIS UN Regional Commissions Meeting Round Table (May, 2021) and the “Digital technologies as a driver of economic recovery” workshop (April 2021). Other events include the webinar “Enabling Latin America and the Caribbean to Better Harness E-commerce and Digital Trade in Face of the COVID-19 Pandemic” (April, 2021), the event “Political dialogue on smart manufacturing, exploration of cooperation opportunities between Latin America and the Republic of Korea” (April, 2021) and “The role of electronic and digital commerce in the economic reactivation in Latin America and the Caribbean” (Jun, 2021), the workshop “Significant connectivity workshop: its importance, its measurement and strategies to achieve it” (Sep, 2021) and the “FinTech and Regulatory Innovation in Latin America webinar” (March, 2021). Also, among training initiatives ECLAC organized an online course “Opportunities and challenges for MSMEs in cross-border e-commerce”. All these events had the participation of governments, international organizations, the private sector, and experts from the different countries of the region.

As stated in the 2022 Digital Agenda LAC region are pursuing the idea to foster a digital regional market. Within this framework, various activities were carried out to support sub-regional cooperation spaces. Among these support activities is the development of a roadmap for the regional digital market in the Pacific Alliance and the proposal of a digital agenda in Mesoamerica. Likewise, support was provided to Mercosur and its digital agenda.
An important part of the work carried out at ECLAC on these issues was related to analyze the dynamics of the incorporation of digital technologies in SMEs. In this sense, various studies were produced that tried to study the factors that condition the digitization of small businesses. Within this framework the study *Digital transformation of MSMEs: elements for policy design* was published in 2021, which synthesizes the empirical background and contributions of the literature on motivations and obstacles that companies face in their digital transformation process and analyzes the advances of digital policies adopted in the region. This work was carried out in a project lead by ECLAC and the European Commission that aims to strengthen dialogue between public and private actors on MSMEs policies (*Euromipyme project*).

In 2021 UNECLAC also led several activities to improve national and sub regional capabilities in the LAC region for the design of digital policies. Part of this work was the support given to the Pacific Alliance (PA) to build a strategy for the regional digital market. In 2021 the PA published a strategy tries to set up a roadmap to overcome the barriers that hinders digital trade and the adoption of digital technologies. ECLAC also supported Ecuador in the elaboration of its digital agenda through a process that included various coordination meetings with institutions and actors from the public and private spheres. Likewise, ECLAC is supporting the Senate's telecommunications and transportation commission in the elaboration of a digital strategy for Chile towards 2035.

Within the framework of the *eLAC2022 Digital Agenda for Latin America and the Caribbean*, ECLAC help the development of a cooperation program linked to the objectives agreed in the eLAC2022 Digital Agenda. These activities are grouped into capacity building activities, political dialogue, technical cooperation, and knowledge generation (reports and studies). The activities are led by the organizations and representatives of the follow-up mechanism of eLAC2022, with organization from the private sector, the technical community and the civil society, with the support of ECLAC as the technical secretariat.

Measuring and evaluating the dynamics of digitization are essential to aid decision-making, reduce uncertainty, and increase policy effectiveness. For this reason, indicators are required to account for progress in the different areas of digitization. Most of the countries in the region have incorporated basic indicators of access to digital technologies in their official household and business surveys, achieving important advances in the generation of connectivity indicators. Despite this, there is little information about the different elements that make up digital development. Because digital transformation is a new phenomenon in constant evolution, its monitoring requires the constant updating of indicators and the incorporation of new variables to account for its disruptive dynamics. Thus, ECLAC is developing a *digital development observatory* with the aim of producing new metrics to understand the dynamics of digitization in Latin America and the Caribbean and provide guidelines for its use in formulating policies to close the structural gaps through digital development.

In this framework, ECLAC has continued to explore the possibilities of data innovation using new information techniques (Big Data) together with the use of traditional sources, as a solution to face the insufficiency of indicators related to digital development. With the intention of contributing to the measurement of the digital economy, the results have been

FUTURE ACTIONS

- Within the framework of the eLAC2022 Digital Agenda for Latin America and the Caribbean, a cooperation program has been established, with the participation of various actors. The objective of the program is to organize and carry out a set of regional cooperation activities for the period 2021-2022 that favor the fulfillment of the objectives of the eLAC2022 Digital Agenda. These activities are grouped into capacity building activities, policy dialogue, technical cooperation and knowledge management (reports and studies).

- ECLAC will facilitate the organization of the Eight Ministerial Conference on the Information Society in Latin America and the Caribbean in 2022 to discuss and review new policy goals on digital matters for the coming years.

- ECLAC will continue its efforts to consolidate the observatory on digital development to generate metrics and information to understand the dynamics of digitization in Latin America and the Caribbean, and to support the formulation of policies for digital development based on evidence.

- ECLAC will continue to promote data innovation to produce indicators on digital development in the countries of the region, and to build capabilities in the use of innovative techniques for measuring digital transformation, such as big data, in combination with traditional statistics.

- ECLAC will continue its efforts to promote greater integration in digital matters in the region, through coordinated work with the regional integration blocks (AP, Mercosur) for the creation of a regional digital market.

- In 2020, UNECLAC will deepen its research agenda on issues related to the digital transformation of the productive sector, 5G, Regional digital market, cross border data flows and artificial intelligence and Big data for measuring the digital economy.