UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# How to make data work for the 2030 Agenda

IGE on E-commerce and the Digital Economy, 10-12 May 2023

Shamika N. Sirimanne Director, Division on Technology and Logistics, UNCTAD



## Data are a strategic asset in addressing developmental challenges



... if well handled





### Digital divides accompanied by evolving data divide risk widening economic divides





International bandwidth is geographically concentrated along **two main routes** 





## **Cross-border data flows pose particular challenges to developing countries**



#### Growing imbalances



Infrastructure











Trust in digital economy

#### Institutional capacities



Legal & regulatory framework



Access to financing



Representation in global policy debates

#### ...but unilateral regulation is not sufficient



## Many developing countries face common challenges in the digital economy



UNCTAD

Policy areas	Main challenges
E-commerce readiness assessment and strategy formulation	Limited awareness of e-commerce among policy and law makers, consumers, and businesses.
	Lack of e-commerce statistics. Barriers for women and youth to engage in e- commerce.
Legal and regulatory frameworks	Weak legal and regulatory frameworks, including data and consumer protection online.
ICT infrastructure and services	Limited Internet access in rural/remote areas and high costs of fixed and mobile- broadband Internet.
Trade logistics and trade facilitation	Inadequate facilities for physical delivery of online purchases.
Payment solutions	Overreliance on cash transactions, plus low access to and limited experience with online payments and the use of credit cards.
E-commerce skills development	Education system not fit for the digital economy; lack of business development and e-commerce skills.
Access to financing	Unsuitable financial mechanisms for start-up enterprises to engage in e- commerce.



#### Prerequisites for a more equitable distribution of gains from the digital economy





## The enabling environment determines the gains from the data-driven digital economy



Infrastructure for connectivity

Addressing skills shortages

Developing talent: creating local and regional digital products

Public policies to build trust online



Holistic approaches are needed Developing effective solutions for individual control over data

Competition & tax policy for more equitable outcomes

Improved global understanding of data and platform governance





#### Achieving the 2030 Agenda:

Making data flows work for the people and the planet





## Fragmentation will hamper development gains from data flows

Data flows are not just trade, but increasingly discussed in trade negotiations Leading to less opportunities for data sharing across jurisdictions, risk of Internet fragmentation, reducing opportunities for business and social value creation

Broad multistakeholder discussions best suited to maximize the benefits from data flows



#### A balanced global approach to digital and data governance needs to work for the people and the planet



To prevent inequalities from being amplified

- <
- To enable global data-sharing and develop global digital public goods
- To avoid further fragmentation in the digital space



To increase trust in the digital economy and reduce uncertainty



To address policy challenges emerging from the dominant positions of global digital platforms



To account for spillovers of national policies into other countries



With a view to enabling data to flow across borders as freely, as necessary and possible, while addressing various development objectives

### Key data-related policy areas

- Agree on definitions and taxonomies
- Establish terms of access to data
- Strengthen
  measurement

••••

- Deal with data as global public good
- Explore emerging forms of data governance
- Agree on rights and principles
- ✓ Develop standards
- Increase international cooperation on platform governance

#### **Connecting the dots**







## What are the key issues at stake for developing countries in relation to cross-border data flows?



## What is needed to ensure that the benefits of the digital economy are shared more equitably?



What national and international policies and support measures can help address challenges among developing countries in e-commerce and the digital economy?



What are the implications of cross-border data flows at the regional and international levels in relation to the achievement of the 2030 Agenda?



How can contributions to the debate on data governance best be made, to maximize the development potential of data?





### Thank you!

For feedback & questions, please email: shamika.sirimanne@unctad.org



