

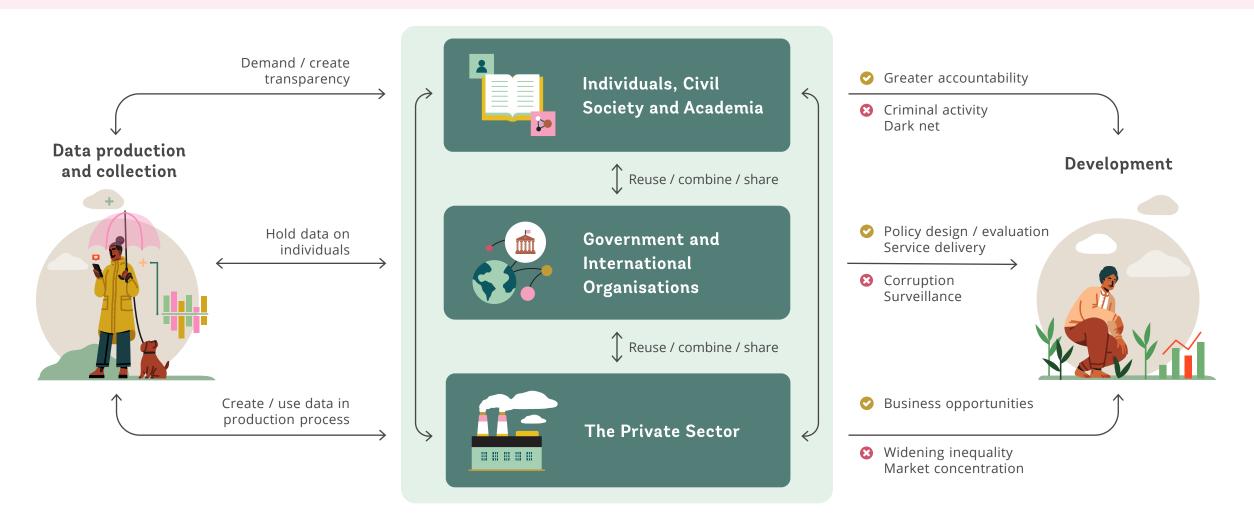
# Data for Better Lives

World Development Report 2021

Session 2: Prerequisites for a more equitable distribution of gains from the digital economy

Malarvizhi Veerappan The World Bank

## Data for development: 3 pathways





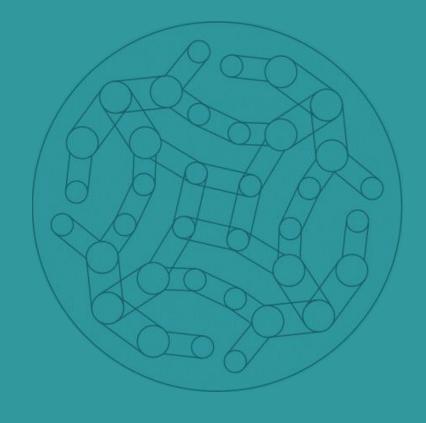
## The social contract for data





#### Value

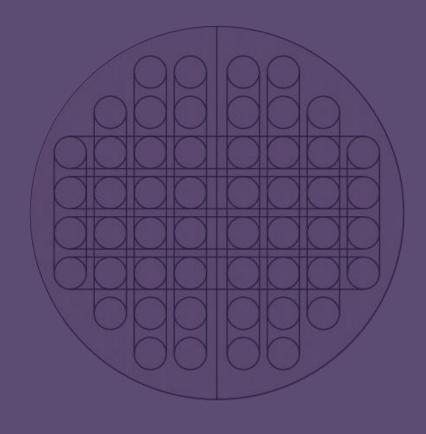
Economic and social value comes from sharing, reusing, and combining data sources to generate greater insight





## **Equity**

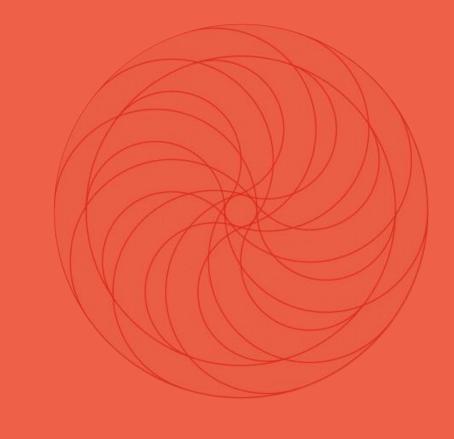
Data capture, infrastructure, and trade need to include poorer communities and countries equitably





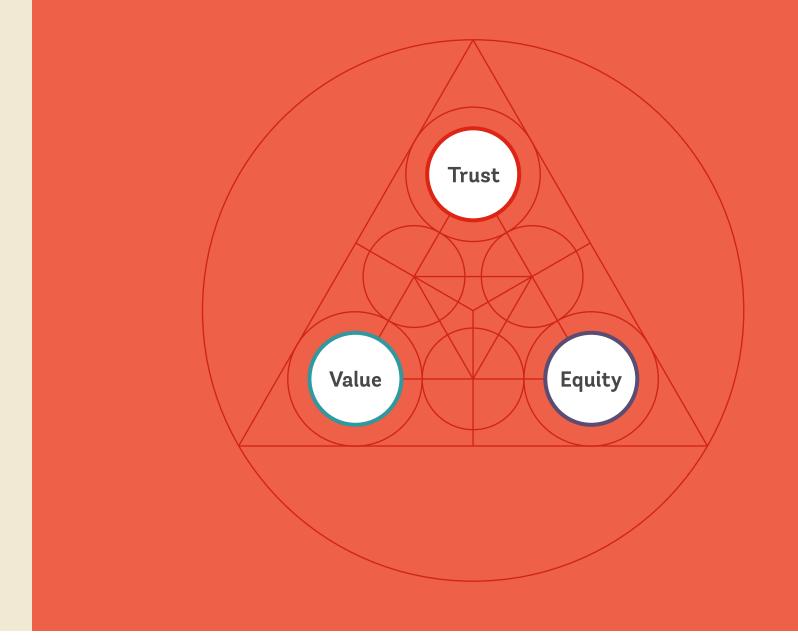
#### Trust

Personal data and data infrastructure must be protected from misuse to avoid discrimination and cybercrime



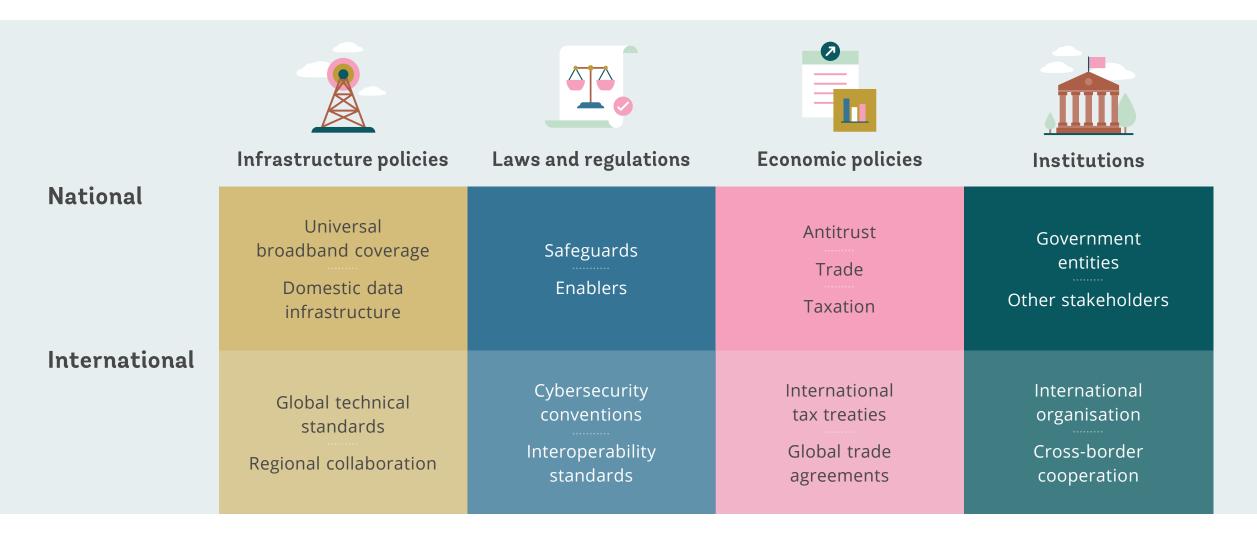


The three elements of a social contract for data: Value, Equity and Trust



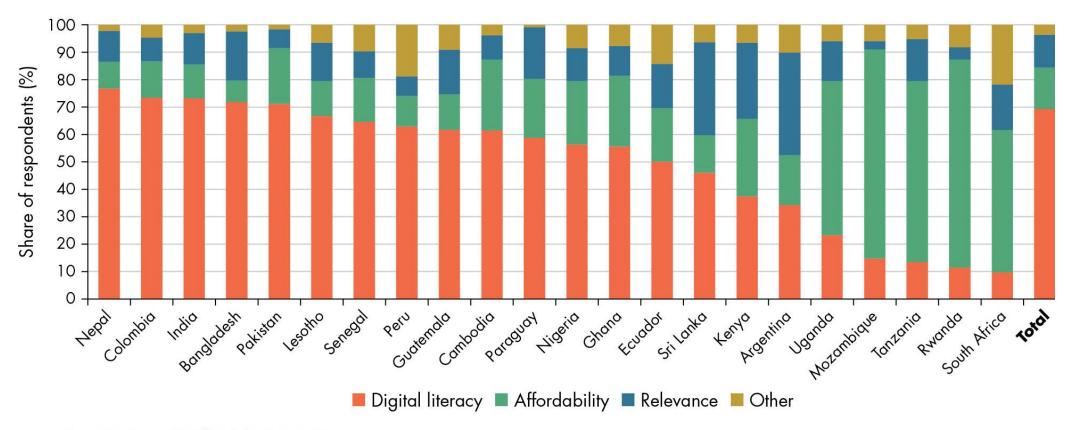


## Data governance: a framework to enforce the social contract





## Usage gap: drivers of the usage gap differ among regions, but typically revolve around literacy, affordability and relevance

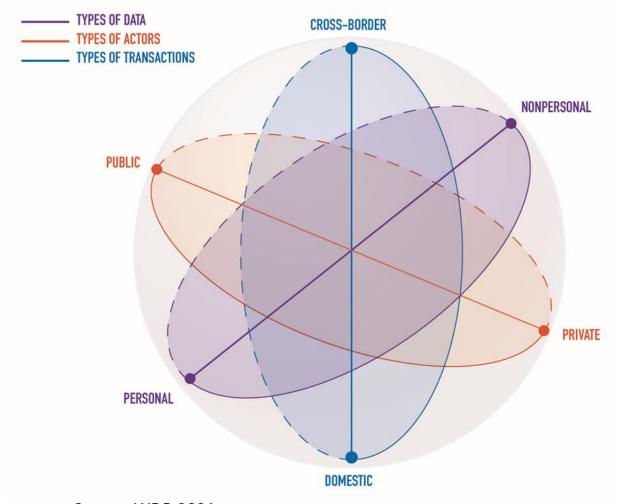


Source: Chen 2021. Data at http://bit.do/WDR2021-Fig-5 5.

Note: Respondents to the survey conducted for this Report had access to internet service. Responses to the digital literacy category included "Do not know what internet is" and "Do not "Do not know what internet is" and "Do not know what internet is "Do not know what internet is" and "Do not know what internet is "Do not know what internet is "Do not know what internet is" and "Do not know what internet is "Do not know what int know how to use internet." Responses to the affordability category included "No access device" and "Too expensive." Responses to the relevance category included "No interest/not useful" and "No relevant content in local language."



### A Multidimensional Legal Framework for Trusted Data Transactions





Source: WDR 2021 team

## A differentiated approach to enablers and safeguards is needed to build trust



#### A. PERSONAL DATA SAFEGUARDS:

to protect against misuse and enable individual agency/control over data use **B. ENABLERS:** to mandate the use/sharing of public data and facilitate private sector data sharing for "public intent"

C. NONPERSONAL DATA **SAFEGUARDS:** to promote certainty and predictability

#### 1. Rights-based approach

#### 2. Balance of interests

#### Limits on use

- Lawfulness
- Purpose limitation
- Data minimization
- Retention/storage limitations
- Adequacy mechanisms for cross-border data transfers

#### Individual and collective rights

- Consent
- Portability
- Notice of use/breach
- Accuracy and rectification
- Limitations on automated decision making
- Redress
- Effective enforcement

- Interoperability of data and systems
- Data portability mechanisms (common data formats, APIs)
- Open data
- Access to information
- E-transactions (e-signature; trust services, including digital ID)
- Carrier immunity/intermediary liability
- Intellectual property rights (IPRs)
- Sharing friendly licenses/voluntary licensing (e.g., FRAND terms)

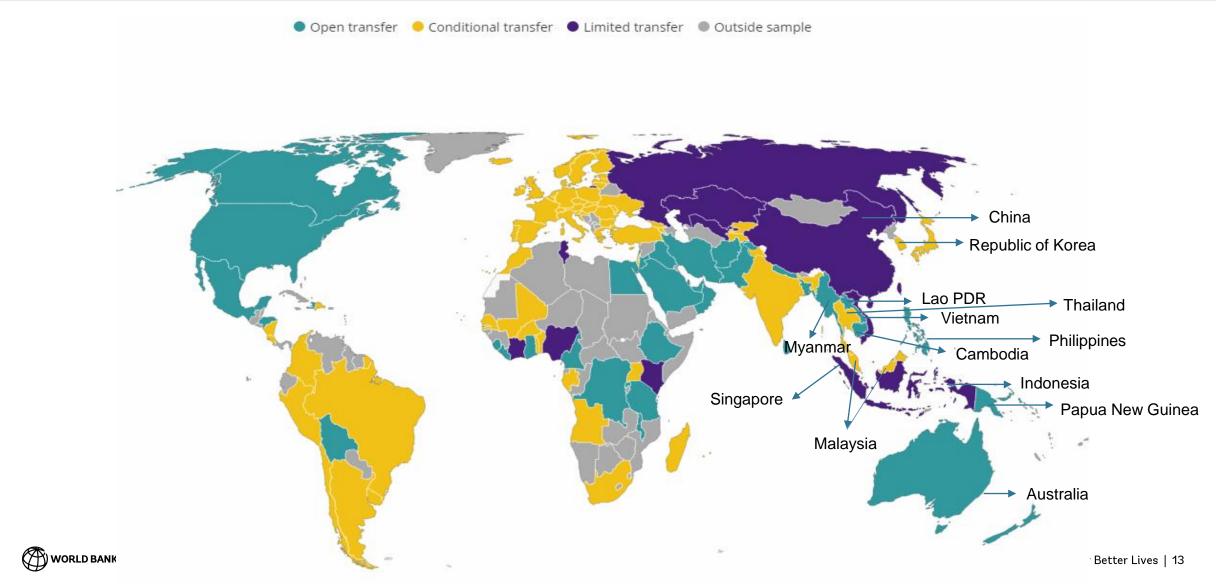
- Contractual (private law)
  - Indemnities
  - Liabilities
  - Penalties
- Intellectual property rights (IPRs)
- Exceptions to intermediary liability
- Data localization/local processing
- Cybersecurity/cybercrime



## Leveling the playing field for competition

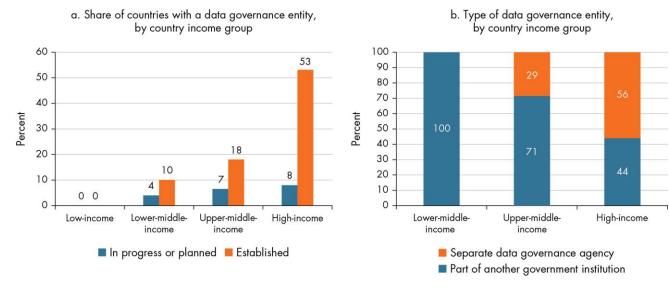


## There is wide heterogeneity in models for cross-border data flows in the region



## Mapping key data governance functions to government entities

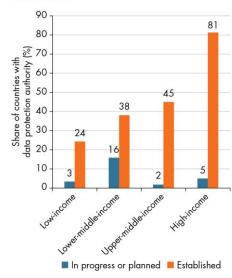
Figure 8.3 No low-income and few lower-middle-income countries have a separate data governance entity; most embed them in another government institution



Source: WDR 2021 team calculations, based on World Bank, DGSS (Digital Government/GovTech Systems and Services) (dataset), https://datacatalog.world bank.org/dataset/digital-governmentgovtech-systems-and-services-dgss-dataset. Data at http://bit.do/WDR2021-Fig-8 3.

Note: Panel a: data are for 198 economies. Data governance entities include both separate agencies and units that are part of another institution. Panel b: data are for 58 countries. Data are only for countries that have a data governance entity established or in process. Low-income countries are not included in the figure because none has a data governance entity.

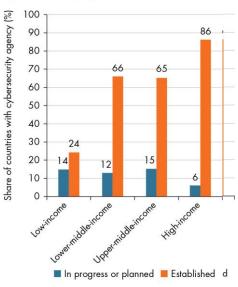
Figure 8.4 The lower the country income level, the fewer are the countries with data protection authorities



Source: WDR 2021 team calculations, based on World Bank, DGSS (Digital Government/GovTech Systems and Services) (dataset), https:// datacatalog.worldbank.org/dataset/digital-governmentgovtech-systems -and-services-dgss-dataset. Data at http://bit.do/WDR2021-Fig-8 4.

Note: Data are for 198 economies.

Figure 8.6 Only about one-quarter of low-income countries have cybersecurity agencies



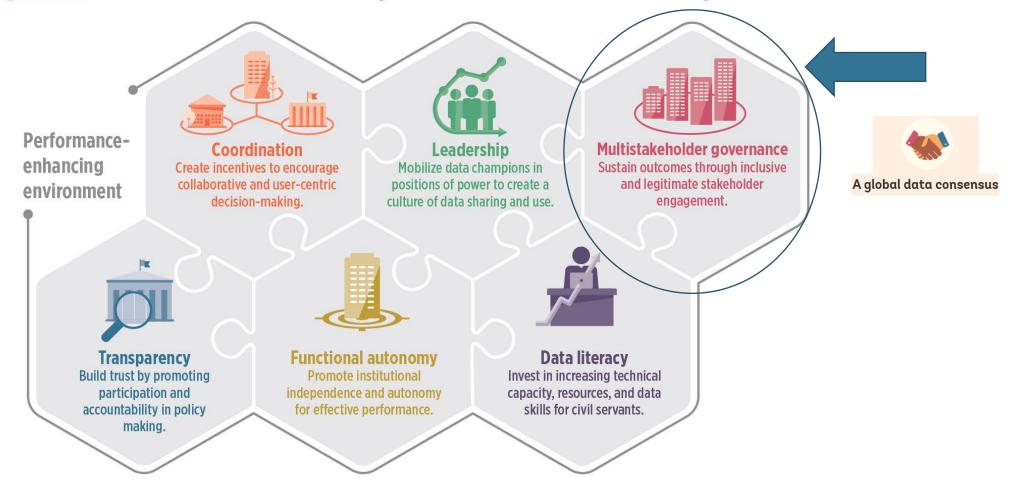
Source: WDR 2021 team calculations, based on World Bank, DGSS (Digital Government/GovTech Systems and Services) (dataset), https:// datacatalog.worldbank.org/dataset/digital-governmentgovtech-systems ms -and-services-dgss-dataset. Data at http://bit.do/WDR2021-Fig-8 6.

Note: Data are for 198 economies.



## Governing data effectively

Figure 8.7 Features of well-functioning institutions for effective data governance



Source: WDR 2021 team.



## Global Consensus for governing data

- 1. United Nations System Chief Executives Board for Coordination (CEB) has endorsed 'International Data Governance – Pathways to Progress'
- 2. High Level Advisory Board on Effective Multilateralism A Breakthrough for People and Planet.
- 3. Data governance principles need to be anchored in human rights frameworks
- 4. UN System coordinated multistakeholder process to address international data governance
- 5. Lancet commissions report on Governing Health Futures 2030



## Key points to reflect on



- We need a new social contract for data based on value, trust and equity
- Equitable development of the data economy calls for a foundation of infrastructure to ensure that both poor people and poor countries have affordable access to data services.
- The legal and regulatory framework for data entails a balanced development of enablers that support reuse of data for value creations, and safeguards that create trust in the system.
- As more economic activities shift online, a country's data governance choices will have important implications for the real economy, in terms of competition, trade, and taxation.
- Further efforts are needed to support interoperability, data portability and cybersecurity for equitably distributed value.
- Data governance will not get very far without adequate institutions to implement and enforce the rules, and these are often missing. ( ) WORLD BANK GROUP

Download the report and explore Data Stories at <a href="https://wdr2021.worldbank.org/">https://wdr2021.worldbank.org/</a>

