

**Intergovernmental Group of Experts on  
E-commerce and the Digital Economy**  
*Third session*

**3-5 April 2019**  
**Geneva**

**Contribution by**

**UNITED KINGDOM**

**The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.**

## **United Kingdom Written Submission: Intergovernmental Group of Experts on E-commerce and the Digital Economy - Third session**

When we talk about the value of e-commerce and the digital economy to the world's businesses and consumers, we are referring to everything in the economy that is supported by the flow and processing of data – which, in an increasingly digitised economy, is the majority of industry. Data underpins the functioning of digital technologies, and evidence from the McKinsey Global Institute suggests that cross-border data flows added USD 7.8 trillion to global GDP in 2014.<sup>1</sup> These data flows are also vital not only to high tech industries but to traditional sectors across both goods and services.

At the same time, governments and businesses have a responsibility to maintain high standards of data protection to ensure that users have confidence and trust in digital technologies. Data must be kept safe and secure; be handled legally, responsibly, and ethically; and we must be open and transparent about what data we are using and why.

UNCTAD E-Commerce Week provides an opportunity for Members to share examples of good practice across the digital economy, including the value and role of data, and helps lay the groundwork for an inclusive global framework for e-commerce.

### **THE UK DIGITAL ECONOMY**

Analysis predicts that data will benefit the UK economy by up to £241 billion between 2015 and 2020.<sup>2</sup> We have taken action to ensure businesses and government are able to use data in innovative and effective ways. For example, the UK domestic Digital Strategy recognises the integral role and high value of data in the digital economy and seeks to put the UK at the forefront of data innovation. As part of the Digital Strategy, the UK opened up public datasets to drive public services transformation, business growth and democratic engagement;<sup>3</sup> support our research community which has world-class data scientists and high-performance computing facilities; and help create an innovative environment that has already fostered many successful data-driven companies many of whom use open data provided by the public sector.

### **UK OVERSEAS DEVELOPMENT**

The approach we take domestically corresponds to a key focus of the UK's overseas digital development work. The UK Department for International Development's (DfID) Digital Strategy stresses the importance of strengthening in-country data systems to enhance transparency and open government. DfID looks to: ensure the international system provides effective and coordinated support for better quality open data; invest in data infrastructure in partner countries; and support the use of innovative techniques or technologies to improve data production, dissemination and use in partner countries. For example, DfID has led the donor community on data transparency and collaboration through the development of its 'DevTracker', making information about all of DfID's (and most of the UK's) Official Development Assistance (ODA) available online since 2013.

The UK supports UNCTAD's excellent Rapid E-trade Readiness Assessments. These assessments have helped a number of countries, such as Bhutan and the Solomon Islands, identify issues around data infrastructure and data governance as key barriers to engaging in e-commerce. We welcome the visibility and awareness that these assessments have brought.

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<sup>1</sup> McKinsey Global Institute, Digital Globalization: The New Era of Global Flows, 2016.

<sup>2</sup> [The Value of Big Data and the Internet of Things to the UK Economy](#), Feb 2016, CEPR & SAS

<sup>3</sup> [Open Data Barometer 3rd Edition](#), April 2016, [World Wide Web Foundation](#)

Digital innovation and the innovative use of data can be a force for good beyond the traditional trade and commercial space. DfID highlights digital skills and capacity as a key enabler of digital development, recognising that access to information and support for building digital literacy can be a powerful catalyst for economic empowerment and inclusion including of women and girls. However, the proportion of women using the Internet is 12% lower than the proportion of men using the Internet worldwide. And, while this gap has narrowed in most regions since 2013, it has widened in Africa, where the proportion of women using the Internet is 25% lower than the proportion of men using the Internet.<sup>4</sup>

If women can take advantage of digital trading opportunities, the potential rewards are enormous. In mobilising women into the workforce and as digital consumers, digital trade can boost economic activity, grow markets and drive prosperity, as well as acting as a catalyst for female empowerment.

For example, DfID's capability project Connect to Learn Myanmar aims to enable communities, schools and girls in very resource-poor settings within Burma to leapfrog to a 21st century education, with over 11,000 marginalised girls expected to benefit from improved learning outcomes. The project has established 3G connectivity in 31 secondary schools across three regions and has delivered teacher training to 155 teachers and 31 school administrators in Burma, thereby increasing the level of ICT familiarity and skills with a wide range of secondary school teachers. To date, the project has supported 600 marginalised girls in secondary schools with scholarships to improve attendance at the secondary school level.

## **GOVERNANCE AND PROTECTION**

Using data to benefit businesses and consumers and protecting data to ensure it is not misused are intrinsically linked.

Through the UK Data Protection Act 2018, the UK updated its data protection laws for the 21<sup>st</sup> century using a series of guiding principles, rights and obligations to govern personal data. This legislation complements the work of the UK's independent regulator for data protection and information rights, the Information Commissioner's Office, as well as government and consumer protection groups to encourage and empower people to take responsibility for their personal data, particularly in the online environment.

The UK is seeking to build on our domestic experience in our overseas development work, where we emphasise the importance of strengthening data protection and information security frameworks in order to promote public trust in digital technologies and data. To this end, we commit to promoting legislative, social and educational measures – including those that protect the vulnerable, children and young people. For example, through the Economic Statistics Programme in partnership with the IMF, the UK is building capacity of data producers in developing countries to use open data platforms and the Statistical Data and Metadata Exchange (SDMX) standard to share economic data.

## **SKILLS**

In order to ensure data can be used as a force for good in e-commerce, it is necessary to develop excellent data handling and data analytical skills. Our government is working with an industry-led Data Skills Taskforce to help implement key elements of the Analytic Britain report produced by Nesta and Universities UK, which provides a number of proposals to raise levels of data analysis education and skills provision in the UK.

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<sup>4</sup> <https://www.itu.int/en/ITU-D/Statistics/Documents/facts/ICTFactsFigures2017.pdf>

This challenge is not limited to the UK. Economies around the world are experiencing shortages of skills, which is limiting the ability of businesses and consumers to take advantage of the benefits of e-commerce. That is why the UK is partnering with several developing countries to build their digital capacities through a global network of tech hubs.

The tech hubs are small, locally-engaged teams based in UK embassies and High Commissions. The hubs will facilitate the sharing of UK expertise and best practice for digital tech with those countries, supporting local entrepreneurs, start-ups and established tech companies through training and mentoring. The hubs will help to develop digital skills in country, as well as strengthening partnerships on research, innovation and trade. This will help to build skilled, entrepreneurial and networked populations which will create jobs and address digital inequality. The hubs are currently being delivered in Brazil, South Africa, Kenya, Nigeria, and India, with a further location to be announced next year.

## **CONCLUSION**

The UK welcomes UNCTAD's work to bring together governments, businesses and international organisations to discuss this important issue. It is only through international collaboration that we will be able to fully confront the challenges and realise the opportunities of e-commerce. We look forward to a productive series of discussions in April.