COMMISSION ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (CSTD)

Twenty-seventh session
Geneva, 15-19 April 2024

Submissions from entities in the United Nations system, international organizations and other stakeholders on their efforts in 2023 to implement the outcomes of the WSIS

Submission by

International Trade Centre, United Nations Conference on Trade and Development and Universal Postal Union

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 27th 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.

WSIS Action Line

C7 e-business

Co-facilitators: ITC, UNCTAD, UPU

Input for the CSTD report on WSIS follow-up <u>during 2023</u>

For the CSTD twenty-seventh session in March 2024

Part 1: Executive Summary

Action line C7 (e-business) in 2023 was implemented against the backdrop of a sluggish recovery from the economic downfall caused by the COVID-19 pandemic, growing geo-economic fragmentation, and new technological disruptions such as the market entry of generative AI. A narrowing gap in digital connectivity worldwide, as evidenced by the estimated 0.9 billion additional people who joined the internet between 2019 and 2021, was welcome news in light of the reported halt in progress towards the attainment of the Sustainable Development Goals (SDGs). Nevertheless, persisting disparities in countries' readiness to engage in and benefit from the fast-evolving data-driven digital economy underlined the growing need for support to developing and least developed countries (LDCs) in this area.

Many developing countries and LDCs continue to lack the digital infrastructure, skills, resources, enabling environments and access to capital necessary to compete and trade on an equal footing with developed countries in the digital economy. Evidence-based analysis of the policy options at the national, regional and global level, effective technical assistance and capacity-building support to law- and policymakers, entrepreneurs and other stakeholders in the digital economy, and facilitation of multilateral and multi-stakeholder consensus-building and partnerships remain key to finding solutions for harnessing e-commerce and the digital economy for sustainable development. In that context, UNCTAD took various actions to equip policymakers and empower women digital entrepreneurs in developing countries with the knowledge, capacities, and dialogue avenues they need to shape an inclusive digital economy ecosystem. ITC through the Switch ON initiative focused its efforts on ensuring that investments in connectivity are prioritized and that the conditions are in place for MSMEs in developing countries to profit from digital trade and entrepreneurialism. The UPU worked with Governments and their postal operators to advance the inclusive deployment of e-Government, e-finance and e-commerce services to enable businesses to access the digital economy, and citizens to benefit from access to these services.

Finding an agreeable multilateral, multi-stakeholder, and multidimensional approach to governing data and data flows that allows for gains to be shared more equitably and contributes to sustainable development outcomes is one of the main policy challenges of our time. Improving the availability of timely, robust and comparable official statistics on the digital economy and digital trade remains key for enabling policymakers to establish benchmarks and better monitor and manage their economies' digital transformation.

Part 2: Analytical Overview of Trends and Experiences

a) Trends in implementation, monitoring and cooperation at the national, regional and international levels. What are the achievements and obstacles? Relate to 2030 Agenda.

- The 6th session of the Intergovernmental Group of Experts (IGE) on E-commerce and the Digital Economy took place on 10-12 May 2023 in a hybrid format that attracted 300 registered participants, including representatives of the governments of 75 member States, 19 IOs, 10 NGOs as well as several representatives of the private sector and academia.[1] The session delivered as a main outcome a set of agreed policy recommendations on how to make data work for the 2030 Agenda for Sustainable Development. The recommendations constitute one of few negotiated texts on how to make data work for sustainable development. The IGE also agreed that UNCTAD should coordinate a task group of interested Working Group participants, to support the development of UNCTAD guidelines on measuring the value of e-commerce.

- The UNCTAD eWeek 2023 took place on 4-8 December 2023 in Geneva as well as online, under the theme "Shaping the future of the digital economy".[2] As the leading global forum for decision-makers, experts, leaders and key stakeholders from all backgrounds, it provided a rare opportunity to connect the dots between multiple stakeholders and discuss, debate, and explore ways forward to addressing the development implications of e-commerce and the digital economy. Within this framework., the UPU hosted the 1st ever Tradepost forum to showcase best practice for inclusive e-trade through the postal network, and a session on leveraging the postal network for a sustainable and inclusive deployment of digital infrastructure and services.

- UNCTAD analysis of *G20 Members' Regulations of Cross-Border Data Flows* highlighted the multi-dimensionality of data and the diversity of areas potentially affected by data flows.[3] G20 Members' laws and regulations focusing on personal data are complemented by laws that are more specific to electronic communications, health, financial transactions and the public sector. Data governance and the handling of data-related policy questions are therefore not limited to one single ministry or agency, suggesting a growing need to ensure having relevant expertise in data-related aspects across all ministries involved in data governance. A whole-of-government approach which clearly identifies one lead organization for the government's strategy on data governance may help coordinate policymaking across entities. The importance of multi-stakeholder dialogue cannot be overstated.

- Building on the Digital Economy Report 2021[4] and support to the G20 Digital Economy Working Group's work on data free flow with trust and cross-border data flows during Indonesia's G20 Presidency, UNCTAD provided support to India's G20 Presidency as a knowledge partner for the Development Working Group's work on data for development.

- UNCTAD's first *Digital Economy Report: Pacific Edition* highlighted that the distinct characteristics of the region create unique challenges and opportunities for digital

---

[1] See https://unctad.org/meeting/intergovernmental-group-experts-e-commerce-and-digital-economy-sixth-session
[2] See https://unctad.org/news/registration-unctad-eweek-2023-now-open
[3] See https://unctad.org/publication/g20-members-regulations-cross-border-data-flows
[4] See https://unctad.org/webflyer/digital-economy-report-2021

development, and although connectivity challenges remain, e-commerce is beginning to emerge and offers the potential to accelerate development. Research and data collection efforts should be strengthened to enable policymakers to devise and implement appropriate policies and build on the strong momentum to address policy concerns. Despite recent progress, more regional cooperation and international support is needed to prevent the further widening of digital divides and build inclusive digital economies in the region.[5]

- ITC supported the organization of the second European Union-Central Asia Economic Forum, which took place in Almaty, Kazakhstan on 18-19 May 2023 and in particular, the organization of a Business Session held on 18 May 2023. The event brought together private and public sector representatives from Central Asia and the European Union to discuss innovative solutions for trade facilitation and digital connectivity along the Middle Corridor, as well as opportunities for enhanced trade and e-commerce between the two regions. The Business Session also offered a unique business networking opportunity during a reception attended by 250-300 participants.

- The UPU hosted the African Postal Leaders Forum on 3 – 5 July 2023 in Abidjan, Cote d'Ivoire. The event provided a platform for businesses in the region to discuss deals with postal CEOs to have market access through the postal network. Policymakers and development agencies discussed actions for enhancing the role of posts in inclusive e-trade.

- After a comprehensive consultation process, the UPU submitted a postal sector input to the UN Global Digital Compact. It also took part in several deep-dive sessions organized by the co-facilitators of the intergovernmental process, as well as in the 18th annual meeting of the Internet Governance Forum, hosted by the Government of Japan in Kyoto from 8 to 12 October 2023.

b) Technical assistance and capacity-building

- UNCTAD continued to assess the state-of-play of the e-commerce enabling environment in developing countries through eTrade Readiness Assessments (eT Readies). In 2023, the assessments of Mongolia and Peru were finalized.[6] New assessments commenced in Algeria, Ghana, Mauritania, Timor-Leste and Zimbabwe, with Trinidad and Tobago in the planning.

- Sustained support for the implementation of the recommendations put forward by the 34 eT Readies conducted to date continued to be provided in 2023 through the UNCTAD Implementation Support Mechanism (ISM). A 3rd eT Ready implementation review was completed, based on information provided by 20 partner countries. Findings illustrate how eT Ready partner countries are transforming their e-commerce development agendas, establishing governmental processes and platforms to coordinate the implementation of e-commerce policy actions and operationalize enabling reforms, and expanding partnerships to grow their e-commerce ecosystems.[7]

---

[5] See https://unctad.org/news/how-digital-economy-can-improve-livelihoods-pacific
[6] See https://unctad.org/news/mongolia-eyes-e-commerce-diversify-its-economy
[7] Forthcoming.

- UNCTAD continued to support the development and implementation of national and regional e-commerce strategies. Following months of inclusive consultations and strategy development, Solomon Islands launched its National E-commerce Strategy and Roadmap 2022-2027 on 28 April 2023, while the Council of Ministers of the Economic Community of West African States (ECOWAS) endorsed the regional E-commerce Strategy for the organization's 15 members on 7 July 2023.[8]

- The first half of the year saw UNCTAD's eTrade for Women initiative deliver a first in-person Masterclass in Latin America and the Caribbean (LAC) for 23 participants and welcome two new Advocates for a more gender-inclusive digital economy – for the LAC and MENA regions respectively.[9] A first in-person Masterclass was also held in Southeast Asia for 25 participants, including 5 from the Pacific. To date, the initiative has contributed to strengthening close to more than 300 women-led digital businesses in developing countries.

- Under the ITC SheTrades Accelerator Programme (STAP) – 40 women-led businesses and business support organizations participated in a workshop on how to use technology for sustainable production. 34 women-led businesses participated in a workshop on digital tools to identify new customers and access new markets. In collaboration with ITU, STAP organized a regional workshop for 30 women-led businesses in East Africa on technology and AI for product development and manufacturing in the apparel and non-apparel sectors. Furthermore, training on creation of digital assets with Canva was conducted for 43 women-led businesses in Nigeria and 41 in Bangladesh. The training programme was conducted with the support of SheTrades Hub representatives in each country respectively, thereby consolidating their impact further.

- The Pacific Digital Economy Programme implemented by UNCTAD in cooperation with UNCDF and UNDP supports the digital transformation of the Pacific region. As part of the Programme and to strengthen the capacity of policymakers and other stakeholders to formulate and implement policies on digital identity related to trade and development, UNCTAD provided an opportunity for 164 participants from Pacific SIDS to enroll in a capacity-building course on digital identity for trade and development. A training course on the legal aspects of e-commerce is also planned in the Pacific.

- To help improve the availability of timely, robust and comparable official statistics on the digital economy and digital trade in developing countries, UNCTAD contributed to a regional workshop on measuring the digital economy held in Gaborone, Botswana, jointly with IMF. Support for capacity-building on measuring the digital economy was also provided to the Gulf Cooperation Council (GCC) working group on national accounts/trade statistics, as well as to the member States of the Southern African Customs Union (SACU) at the invitation of the United Nations Statistics Division.

- The 35 partners of the UNCTAD-led eTrade for all initiative continued to contribute to technical cooperation activities, most notably by supporting the development of eT Readies and the implementation of their recommendations. By increasing visibility of various partners' activities, the initiative also continued to play a pivotal role for enhancing transparency in aid

---

[8] https://unctad.org/news/new-strategy-set-boost-e-commerce-west-africa
[9] https://unctad.org/news/unctad-announces-new-advocates-women-e-commerce

for e-commerce and the digital economy, thus helping to identify opportunities for synergies and reduce duplication of work.

- Stemming from the main findings from the COVID-19 and E-commerce: Global Review[10], UNCTAD, ECLAC and selected eTrade for all partners completed the development of a new Core E-commerce Course for policymakers, to bridge knowledge gaps in how to improve the environment for inclusive e-commerce development. It was first delivered for LAC participants in October-December 2023.

- In 2023, more than 650 digital entrepreneurs, including both aspiring and established freelancers in Rwanda, Tanzania and Zambia, received comprehensive training by ITC in digital skills such as WordPress, Flutter, virtual assistant, content creation, UI/UX and AI through ITC's Switch-On initiative and the NTF V programme. A large number of these entrepreneurs were successfully connected to paid employment opportunities and freelance gigs, thanks to local partners in these countries of interventions.

- ITC's FastTrackTech 360Diagnostics platform, designed to assess the maturity and readiness to internationalize of technology start-ups, has been used to assess over 350 technology start-ups worldwide. After more than three years of active operation, an upgraded AI-integrated version is now available. This updated tool incorporates ChatGPT to enhance its ability to generate diagnostic recommendations by taking advantage of ChatGPT's capabilities.

- Through its SME Trade Academy, ITC is successfully increasing its e-learning capability. In 2023 it exceeded 100,000 course enrollments on its corporate online learning platform. Through the introduction of Digital Workshops, it has also enhanced the quality and outreach of trainings, while lowering project CO_2 emissions per beneficiary. As of September 2023, a total of 126 Digital Workshops were delivered to over 2,450 participants.

- The UPU conducted technical assistance projects in Barbados and Trinidad and Tobago, to maximize the contribution of the postal sector to the development of an enabling environment for the growth of the digital economy for all segments of society, including underserved communities, the elderly, and those living in rural and remote locations.

Part 3: Innovations and Future Initiatives

a) What policies, programmes and projects have been undertaken by stakeholders to implement the outcomes? Where specific targets or strategies have been set, please report progress in achieving those targets. Any new commitments made to implement the outcomes?

- Available statistics on digital trade only provide a partial perspective on its evolution since the pandemic. There is a pressing need for more inclusive statistics on online retail sales, business-to-consumer, and business-to-business e-commerce and cross-border digital trade that can provide insights covering a wider range of countries, especially developing countries. Better

---

[10] See https://unctad.org/webflyer/covid-19-and-e-commerce-global-review

statistics on the value of e-commerce (i.e., digitally ordered trade) in particular are needed to understand its economic role and contributions to GDP, employment and development.

- To support statistical compilers in their efforts to measure digital trade, the 2nd edition of the *Handbook on Measuring Digital Trade* (WTO-OECD-IMF-UNCTAD) was published in July 2023.[11] It provides the foundation for an active programme of technical assistance and statistical capacity-building in this area.

- Following the publication of the report on *Measuring the value of e-commerce* in May 2023, UNCTAD is developing statistical guidance to promote harmonization and support countries in measuring e-commerce sales, including cross-border e-commerce – thereby supporting the measurement of digitally ordered trade.[12]

- ITC continues to focus on bridging the digital gap with a special emphasis on LDCs. In 2023, ITC participated in the Fifth United Nations Conference on the Least Developed Countries (LDC5) to discuss what it takes to unleash the full potential of LDCs and how the international community can help them take steady steps along the road to prosperity. ITC hosted a number of sessions including a session organized jointly with UNCTAD, on "How to leverage e-commerce to support economic ambition of LDCs". Accessing digital trade is important to MSMEs in developing and in LDCs as it opens new markets for their goods and services and can improve resilience.

- The UPU hosted the inaugural Postal Data Hackathon on 23 – 24 June 2023 in Bern, Switzerland, making available data from international postal exchanges from almost 30 postal operators, for the first time ever, for collaborative analysis and the development of data-driven solutions. It was a unique opportunity for businesses, academia and development agencies, to have access to this data and showcase a variety of solutions to facilitate the green and sustainable development of e-commerce. The hackathon brought together 60+ participants from 20+ countries from all regions to demonstrate that data-driven innovation can accelerate solutions leading to e-commerce operations efficiency, reduction of environmental impact and enhanced security.

b) What future actions or initiatives are foreseen by stakeholders (regional/international) to facilitate/implement the action line? Any new commitments?

- UNCTAD has been working with the Joint SDG Fund and other entities in the UN Development System on the incubation of a new investment Window on Digital Transformation for development, to support joint programmes at the country level coordinated through UN Resident Coordinator Offices (UN RCOs). UNCTAD actively contributed to the development of the concept note and investment strategy for the Window, in particular for thematic offering #3 under the investment strategy, namely "e-commerce, market access and trade enablement". As a member of the Technical Support Group, UNCTAD will contribute to ensuring the development and implementation of high-quality joint programmes under the Window, which was launched in September 2023.

---

[11] See https://unctad.org/publication/handbook-measuring-digital-trade
[12] See https://unctad.org/publication/measuring-value-e-commerce

- UNCTAD's Digital Economy Report 2024, scheduled to be launched in March 2024, will focus on the topic of environmentally sustainable digitalization, trade and development. Based on its analysis and recommendations, UNCTAD will explore ways to give greater emphasis to the environmental dimension in its work on e-commerce and the digital economy for development.

- UNCTAD and the UPU will continue to work with the Office of the Secretary-General's Envoy on Technology in support of the preparations for the UN Summit of the Future in 2024 and a Global Digital Compact, to foster an approach to governing data and data flows that makes data work for development and to strengthen digital cooperation.

- ITC co-chairs the Broadband Commission Working Group on Connectivity for MSMEs which seeks to identify the challenges and opportunities of getting MSMEs in low- and middle-income countries (LMICs) online and engaging in online trade. In 2023 through interviews with Working Group members and external experts, and extensive research into the barriers and enablers of MSME connectivity, the Working Group developed a five-part framework and four core recommendations for all stakeholders to play their part in enabling MSME connectivity, outlined in its Outcome Report Making Connectivity work for MSMEs.[13] The UPU took part of the Working Group providing insights and contributing to the outcome report.

- The UPU will continue with its technical assistance projects in the Caribbean, with Jamaica and Belize scheduled in Q1 2024. Furthermore, the UPU connect.post initiative to connect every post office to the Internet by 2030, to bring meaningful digital inclusion of businesses and citizens in the communities they serve, will pick up speed and set up the platforms required to advance towards its goal.

- The UPU will continue convening key stakeholders in the digital economy to advance its inclusive development: the Arab Postal Leaders Forum will take place on 12 – 14 February 2024 in Muscat, Oman; the second edition of the African Postal Leaders Forum will take place in 2024, as well as the first edition of the Small Island Developing States Postal Forum in Q2 2024.

---

[13] See https://www.broadbandcommission.org/working-groups/msmes/