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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

World Bank Group

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.

DISCLAIMER: The views presented here are the contributors' and do not necessarily reflect the views and position of the United Nations or the United Nations Conference on Trade and Development.

Response to UNCTAD-CSTD request for WSIS Reporting, October 2023

Prepared by the World Bank Group¹

The following report is submitted to the Commission on Science and Technology for Development (CSTD) by the World Bank Group (WBG) as part of its commitment to report annually on the implementation of the Action Plan of World Summit on the Information Society (WSIS – Geneva 2003; Tunis 2005). This is in line with ECOSOC Resolution 2006/46. The report follows the template proposed by the CSTD, in its letter of July 27, 2023.

Part One: Executive Summary

The WBG, through the Digital Development Global Practice (DD), continues to be committed to upholding the principles set out in the WSIS Declaration of Principles and implementing the WSIS Action Plan. It does so, in concert with other development partners, through (i) its lending program, leveraging multiple <u>financing instruments</u>, including for the <u>poorest countries</u>, which can mobilize financing from other financiers as well as facilitate private sector capital, (ii) analytical and research work as well as technical assistance, (iii) International Finance Corporation (IFC) investments in private sector companies, and through (iv) risk guarantees offered by the Multilateral Investment Guarantee Agency (MIGA).

During the FY23 reporting period (July 1, 2022 – June 30, 2023), new lending operations led by DD cumulatively amounted to US\$1.2 billion. DD is currently managing a total of 44 projects worth US\$4.1 billion in cumulative commitments, with further expansion of the portfolio expected in the coming year.

Part Two: Implementation Trends and Experiences

Digital connectivity and services contribute to growth, productivity, employment, equity and poverty reduction, thereby supporting efforts towards achieving the WBG's twin goals of ending extreme poverty and promoting shared prosperity. Since late 2022, DD's offering has been work re-organized around the following five interconnected business lines that form key digital foundations and accelerators: (i) broadband connectivity and use, (ii) digital data infrastructure, (iii) ICT industry and digital jobs, (iv) digital safeguards, and (v) digital for climate. In addition, DD supports other World Bank sectors in accelerating the deployment of digital technologies and utilization of data to drive innovation, increase operational efficiency, and develop more accessible, user-friendly, and productive digital products, services, and other use cases. The World Bank Group's ecosystem approach to digital transformation is further illustrated in Annex 1. Additional information on DD's offering can be found <u>here</u>.

During the 2022 World Bank and International Monetary Fund Annual Meetings, the Evolution Roadmap efforts were kicked-off, aiming at better shaping the strategic directions of the World Bank in the context of multiple, intertwined, and global crises. These efforts, which included extensive internal and external consultations, culminated with the identification of eight global challenges, including 'enabling digitalization,' and the adoption of the new World Bank mission 'to end extreme poverty and boost shared prosperity on a livable planet.' In addition, five Global Challenges Programs (GCPs) were selected as a mean to leverage replicable and scalable approaches to ramp up the World Bank's response to global challenges. GCPs will combine public and private capital and solutions, as well as co-financing from other MDBs to address targeted global challenges. One of the six GCP will aim to accelerate digitization at scale to enable innovation and adoption of technology and to promote: (i) fast-tracking affordable broad band for all; (ii) scaling up inclusive and safe digital public infrastructure (DPI); and (iii) building digital skills for jobs.

¹ For any follow-up query, please contact Lorenzo Nelli-Feroci (<u>lnelliferoci@worldbank.org</u>).

FY23 highlights include:

Global thought leadership and partnerships:

- The December 2022 **ID4D Global Dataset** provides an updated estimate of the global gap in ID ownership, estimating some 850 million people around the world do not have official identification (ID), let alone digital forms of ID that are a key facilitator of online services. To bridge this gap, the cross-sectoral ID4D Initiative has continued to provide tailored support to develop more better ID and civil registration systems, reaching 57 countries in FY23 (see below). The World Bank's ID4D work contributes notably to **WSIS action lines C7 and C8.**
- The February 2023 <u>Digital Hotspots Developing Digital Economies in a Context of Fragility, Conflict and</u> <u>Violence</u> report provides an analytical backbone to underpin financial commitments to support digital economies in countries suffering from Fragility, Conflict and Violence (FCV). The report presents case studies of countries that are recovering from different levels and stages of conflict, with a view towards identifying needed actions to keep ICT sectors afloat in FCV economies. Specifically, the report provides case studies of the development of the telecom sector in Afghanistan, Iraq, Libya, Somalia, South Sudan, Syria and Yemen. The World Bank's work on FCV countries contributes especially to **WSIS action lines C1, C2, C5, C6, C10** and C11.
- The March 2023 **Ukraine Rapid Damage and Needs Assessment**, a joint effort by the Government of Ukraine, the World Bank, the European Commission, and the United Nations, estimates that the cost of reconstruction and recovery in Ukraine reached US\$411 billion. The Assessment, evaluates the impact of the war across 20 sectors, and estimates Ukraine will need US\$14 billion for critical and priority reconstruction and recovery investments in 2023. The estimated accumulated damage to the telecommunications sector is US\$1.6 billion. A similar **conflict impact assessment in Ethiopia**, completed in December 2022, shows the cost of full replacement cost of telecom infrastructure damaged in the conflict would be in excess of US\$570 million. Some of this requiremeng will be addressed in the Ethiopia pillar in the pipeline second phase of the Eastern Africa Regional Digital Integration Program (EARDIP-2), due to be adopted by the World Bank Board in November 2015. These activities contribute to **WSIS action lines C1, C5 and C6.**
- The June 2023 <u>Third Phase of the Regulatory Watch Initiative (RWI)</u> continues to provide insights on comparative measures that spur digital economy growth. By informing decision-makers about gaps, trends, and best practices, RWI seeks to foster an enabling environment and support the adoption of digital infrastructure for integrated and balanced economic and social development. The third phase of RWI -- built on key principles such as objectivity, independence, consistency, scalability, transparency, and ease of use -- is based on 25 indicators grouped in six clusters and covers 66 countries across six regions. Also completed in June 2023, the **Agile Regulation for Digital Transformation initiative**, conducted jointly with GIZ and the Smart Africa Digital Academy (SADA), has created the basis for a new US\$20 million effort to fund regulatory training in Africa, funded through a grant under the forthcoming Western Africa Regional Digital Integration Program (WARDIP). The regulatory initiatives support **WSIS action line C6**.
- The first phase of the <u>Digital Development Partnership</u> (DDP) umbrella program closed on June 30, 2023. Since inception, DDP supported a total of 128 operational activities in 84 countrie. The funds disbursed by DDP have leveraged more than US\$12.3 billion in World Bank lending. During the reporting period, a new Strategy for a new cycle – DDP 2.0 – was developed, in close coordination with the Program's 14 partners. DDP 2.0 started in July 2023 and will continue to serve as the primary partnership platform to advance digital transformation by building strong digital foundations and accelerators, facilitating use digital cases for the digital economy to thrive. The DDP-funded activities contribute to all WSIS action lines but especially C1 and C11.

- The <u>Cybersecurity Multi-Donor Trust Fund</u> (MDTF), part of the broader DDP umbrella program, aims at systematically incorporating cybersecurity in the development agenda as well as in World Bank operational programs. Work includes global knowledge to better define the cybersecurity development agenda, and country-specific technical assistance. The Fund is supported through contributions from Japan, Germany, The Netherlands, Estonia, Israel, the US Government, and the Bill and Melinda Gates Foundation. The activities supported through the Trust Fund contribute to WSIS action lines C3, C5, C6 and C11.
- In 2021, the Korea Digital Development Program initiative (KoDi) was established to help low- and middleincome countries to accelerate a digital transformation that is data-driven, secure, and green. Through knowledge exchange and capacity building as well as relevant country-specific technical assistance, the program's focus is on enabling data sharing and value creation, strengthening digital trust, and reinforcing the digital-green nexus for climate action. Several studies distilled Korean best practices, including policy notes on enhancing the security and resilience of critical information infrastructure and unlocking the potential value of public data, as well as case studies on greening the ICT sector. The Korea Digital Days 2023 (KDD) also offered an opportunity to promote best practices in artificial intelligence (AI), digital government platforms, data sharing, and cybersecurity data-based economies, and the potential of trustworthy AI. KoDi contributes to all WSIS action lines.
- The ID4D initiative is a cross-sectoral Initiative that provides thought leadership, global convening and technical assistance for countries seeking to design and implement inclusive and trusted identification (ID) and civil registration systems. As of FY23, this includes technical support and advisory for over \$2.3 billion in active and pipeline World Bank projects focused on improving access to ID and civil registration; establishing legal and technical safeguards for data protection and personal control over data; facilitating the adoption of new federated and decentralized models of digital identity; promoting cross-border interoperability and recognition in Africa, Asia, and the Caribbean; connecting with other layers of digital public infrastructure (DPI), such as digital payments and data sharing; and more. These World Bank engagements are expected to improve the lives of more than 550 million people by ensuring that ID systems are inclusive, trusted, and capable of facilitating digital transformation and sustainable development goals. In addition, ID4D is globallyrecognized as a thought leader on the agenda, producing knowledge resources for policy-makers, practitioners, and researchers, including the Global ID4D Dataset and ID4D-Findex data (see above), which are seminal sources of information on the coverage of identification systems. ID4D has also contributed to digital public goods such as promoting the use of open standards and open source, and convening over 30 organizations to develop the ten Principles on Identification for Sustainable Development, which have become an influential guiding framework on how to mitigate risks and harness the full benefits of identification and civil registration systems. These initiatives contribute to contribute to WSIS action lines C1, C3, C7, C8, and C11.

Client-facing activities:

- A total of 41 country-specific digital economy diagnostics under the <u>Digital Economy for Africa (DE4A)</u> initiative were completed. Each diagnostic uses an updated common methodology based around the five following foundational pillars: (i) digital infrastructure, (ii) digital public platforms, (ii) digital financial services, (iv) digital skills and (v) digital businesses. The new digital economy country diagnostics completed in FY23 include Djibouti, South Sudan and Mali. These reports form the analytical basis for future lending programs, contributing, in particular, to WSIS action lines C1, C2, C3, C5, C6 and C7. Additional information on the DE4A Initiative can be found <u>here</u>, and its main results can be found in this <u>results brief</u>.
- In Latin America and the Caribbean, following the first DE4LAC Country Diagnostic for El Salvador published in April 2022, the <u>Colombia</u> diagnostic was published in June 2023. Country Diagnostics for Ecuador and Jamaica are forthcoming. A new lending project in Argentina, combining last mile access to unconnected communities and regionalization of data centers to enable security and redundancy of public data infrastructure and enable the migration of public services, was approved in December 2022. The Caribbean

Regional Communications Infrastructure Program (CARCIP) was formally closed on July 2022, and its Implementation Completion Report (ICR) is forthcoming.

- In Sub-Saharan Africa, new lending operations in Eastern Africa, Kenya, Madagascar, Mozambique, Senegal and Sierra Leone are addressing both supply side and demand side of digital transformation. The March 2023 Digital Africa, Technological Transformation for Jobs report examines pathways to produce and promote the expanded use of affordable and attractive digital technologies that are appropriate for Sub-Saharan Africa's growing workforce and facilitate continued learning through use.
- In Europe and Central Asia, the <u>Deep Dive into the Ecosystem for the Delivery of Social Assistance</u> <u>Payments</u> details the critical success factors of the ecosystem supporting the end-to-end delivery of Government to Persons payments in Türkiye, focusing on social assistance payments. In addition to ongoing operations, the Practice continued to provide technical assistance on advancing digital connectivity, strengthening digital public infrastructure and supporting digital government transformation.
- In East Asia Pacific, the World Bank continued to work with the governments of Philippines and Indonesia on transfomring the landscape for digital identification. In the Philippines, 80 million Filipinos have registered in the new Philippine Identification System (PhilSys). In Indonesia, nearly 5 million Indonesians have created a digital ID in the new mobile ID application. The World Bank launched its new operation in Mongolia which will advance digital government services, cybersecurity and personal data protection. The World Bank continued its emphasis on increasing digital connectivity, especially to connect remote and rurla users, and building sustainable, resilience and secure digital economies in Federated States of Micronesia and Republic of Marshall Islands.
- In the Middle East and North Africa, in addition to ongoing operations under supervision, the World Bank continued to provide technical assistance on advancing digital connectivity and inclusion, strengthening digital public infrastructure amd supporting digital government transformation.

In South Asia, in addition to ongoing operations under supervision, the World Bank continued to provide technical assistance on advancing digital connectivity and inclusion, strengthening digital public infrastructure amd supporting digital government transformation.

- The above-mentioned World Bank lending operations in the Digital space contribute to all WSIS action lines.
- In addition, the World Bank supported the implementation of regulatory and policy reforms to develop digital economy enablers through 42 Development Policy Loans (DPL) covering 64 digital policy actions. In Senegal, support to the government focuses on introducing a strategic reform to strengthen the market competition in the telecom sector while establishing regulatory framework for a consolidated national social protection system. In The Gambia, support to the government is aimed at liberalizing the telecom sector to improve accessibility and affordability of broadband services across the country. In Burkina Faso, through a DPL, the government is rolling out the tax administration digitalization reform to promote transparency and accountability in tax processes. In Eswatini, support to the government's efforts aims to strengthen the legal foundations and institutional framework to facilitate electronic transactions, strengthen online consumer protection, and to enable digital and contactless payments. In addition, the government receives support to establish a regulatory framework to increase telecom sector competition and incentivize private sector in digital infrastructure. In Angola, the government revised its regulatory frameworks on infrastructure sharing to increase investment and network coverage and on payment infrastructure and services to enable digital financial services and promote financial inclusion. In Madagascar, the government passed new legislations to increase competition in the telecoms market and make broadband services more affordable related to the revised

backbone price caps, new licensing framework, and improved regulations on interconnexion and access. These policy reform initiatives directly contribute to **WSIS action lines C2 and C6**.

Part Three: Ongoing and Future Initiatives

During FY24 (July 1, 2023, to June 30, 2023), the World Bank's Digital Development Global Practice will develop the GCP Approach Paper, defining its goals, scope of work, delivery mechanisms, and global targets. The GCP is expected to be launched at the World Bank/IMF 2024 Spring Meetings.

The work program of the Digital Development Global Practice is organized around five interconnected global business lines that form key digital foundations and accelerators for digital transformation and digital economy development. These business lines are reinforced and built upon through coordination and collaboration with partner GPs, IFC, and MIGA. The table below summarizes the ongoing and future initiatives under each business line, and corresponding WSIS action lines.

Digital Development Global Practice Business Lines		Cor	Corresponding WSIS action line(s)	
1. Broadband Connectivity, Access, and Use			C2: Information and communication	
Financing So Digital Divide	ort: Affordable Devices for All: Innovative lutions and Policy Options to Bridge Global es Transformative Effects of ICT Adoption: A		infrastructure	
2. ICT Industry and Digital Jobs		1	C6: Enabling environment	
Flagship report Peril of Online	rt: Working Without Borders: The Promise and e Gig Work			
3. Digital Data Infrastructure			C1 : The role of public governance	
• Operational 7	Coolbox for Assessing and Developing Data	33	authorities and all stakeholders in the	
Infrastructure	in Countries	ldir	promotion of ICTs for development	
Global Cloud	and Data Center Market Study	bui	C11: International and regional	
Ukraine Digit	al Public Infrastructure Case Study	ty	cooperation	
Korea Digital	ID Case Study	aci		
4. Digital for Climate		C4: Capacity building	C2: Information and communication	
Knowledge pr	oducts to support green digital development.		infrastructure	
• Green Data C	enters Practitioners Guide	Ŭ		
Resilient digital infrastructure Practitioners Guide				
• Public GHG a	ccounting for the digital sector			
Green dig	ital policy nexus			
5. Digital Safeguards			C5 : Building confidence and security	
	Cybersecurity – analytical research into the		in the use of ICTs	
	tionale for investing in cybersecurity in			
developing co	untries			
• Sector Cybersecurity Maturity Model version 1.0 – a				
	d methodology to assess cybersecurity maturity			
	tors, in a sector-agnostic approach			
	Notes Series – a series of publications of knowledge products with practical			

Over 15 sector-level technical assistance activities to support cybersecurity in specific sectors, across developing countries

Annex: World Bank Group Ecosystem Approach to Digital Transformation

Digital Transformation for Green, Resilient, and Inclusive Development (GRID)						
DIGITAL USE CASES ACROSS SECTORS	Financial Services, Health, Education, Social Protection, Agriculture, Urban, Trade, GovTech, InfraTech, ClimateTech					
DIGITAL	Data Safeguards Data protection, privacy, and cybersecurity	Digital Platforms ID4D/G2Px/ payments	Digital Capabilities Digital literacy and skills			
990	ICT Industry Development: Digital Jobs					
FOUNDATIONS	Digital Data Infrastructure: Data Storage, Computing, and Exchange Systems					
	Broadband Connectivity, Access and Use: Affordable and High-Quality					

Cross-Cutting Themes: Climate Change, Private Capital Mobilization, Gender and Inclusion, and Jobs and Economic Transformation