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**Report of the Intergovernmental Group of Experts on
E-commerce and the Digital Economy on its sixth session**

Held at the Palais des Nations, Geneva, from 10 to 12 May 2023



Contents

	<i>Page</i>
Introduction	3
I. Action by the Intergovernmental Group of Experts on E-commerce and the Digital Economy ...	3
A. How to make data work for the 2030 Agenda for Sustainable Development	3
B. Other action taken by the Intergovernmental Group of Experts on E-commerce and the Digital Economy	4
II. Chair's summary	5
A. Opening plenary meeting	5
B. How to make data work for the 2030 Agenda for Sustainable Development	7
C. Working Group on Measuring E-commerce and the Digital Economy	14
III. Organizational matters	15
A. Election of officers	15
B. Adoption of the agenda and organization of work	15
C. Adoption of the report of the Intergovernmental Group of Experts on E-commerce and the Digital Economy	15
 Annex	
Attendance.....	16

Introduction

The sixth session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy was held at the Palais des Nations, Geneva, from 10 to 12 May 2023, with physical and remote participation.

I. Action by the Intergovernmental Group of Experts on E-commerce and the Digital Economy

A. How to make data work for the 2030 Agenda for Sustainable Development

(Agenda item 3)

Agreed policy recommendations

The Intergovernmental Group of Experts on E-commerce and the Digital Economy,

Recalling paragraph 100 (r) of the Nairobi Maafikiano (TD/519/Add.2), which called for the establishment of an intergovernmental group of experts on electronic commerce (e-commerce) and the digital economy,

Recalling the Bridgetown Covenant (TD/541/Add.2), in which member States instructed UNCTAD to strengthen the work on assisting developing countries to systematically assess their state-of-play and readiness to engage and integrate into the digital economy, thus contributing to the closing of the digital divide, and to conduct work across its three pillars on the development dimension of the use of data and frontier technologies,

Emphasizing that data could potentially become a key strategic focus point for addressing many economic, social and environmental challenges and offering new opportunities for inclusive economic growth and for achieving the Sustainable Development Goals,

Noting with concern that the digital and data divides have widened in recent years, while progress, hampered by the impacts of the coronavirus disease (COVID-19) pandemic, climate change, rising debt and conflict, has deteriorated with respect to sustainable development targets, such as those in relation to poverty, food security, the trade share of the least developed countries, immunization coverage and employment,

Welcoming UNCTAD assistance to developing countries, especially the least developed countries and small island developing States, in terms of strengthening their readiness to engage in and benefit from e-commerce and the digital economy,

Recognizing the role that data and data flows can play in contributing to the 2030 Agenda and the timeliness of the deliberations in this group of experts given the multiple related processes in the United Nations, such as the World Summit on the Information Society 20-year review, the Summit of the Future and other intergovernmental and multi-stakeholder forums, including the 2023 Sustainable Development Goals Summit,

Reiterating the concerns regarding market concentration of global digital platforms and their market power, with consequential impacts on consumer behaviour and competition and, in this regard, reiterating the importance of the role of UNCTAD in assisting developing countries in the implementation of the United Nations guidelines for consumer protection,

1. *Encourages* Governments and the international community to adopt policies to tackle economic and social inequalities in connection with digital and data divides so as to increase the resilience, infrastructure and capacities of countries to use digitalization to support economic growth and deal with crises; and to ensure that the benefits of digital transformation are shared by all, including by women, youth and other populations in

vulnerable situations, to build a better future and accelerate the pace towards the timely accomplishment of the Sustainable Development Goals;

2. *Invites* Governments, in coordination with other stakeholders, to consider national and international policies that support and strengthen countries' readiness to leverage the potential benefits of data, digitalization and cross-border data flows to meet the 2030 Agenda targets, in accordance with national regulations and international commitments, including existing trade commitments, while respecting data protection, privacy and human rights, as well as fostering confidence and trust;

3. *Stresses* the need to build a deeper understanding of commonalities and differences in national definitions of concepts related to data governance, recognizing the multidimensional character of data and the varying perspectives of multiple stakeholders when designing and implementing different laws and regulations affecting data and data flows;

4. *Reiterates* the need to strengthen efforts to measure the value from e-commerce and the digital economy, including data, and how it can be used for development purposes;

5. *Stresses* that digitalization can be harnessed to achieve sustainable progress and build a more resilient, inclusive, environmentally sound and sustainable world, which will require increased global dialogue and international cooperation to broaden and strengthen the meaningful participation of developing countries in relevant processes and equitable opportunities for inclusive economic growth;

6. *Calls on* Governments and other stakeholders to collaborate on inclusive global governance of data, using contributions from international organizations, including the United Nations, and to find common ground for data to work for people and the planet, ensuring no one is left behind, considering both economic and non-economic implications, and noting the ongoing consultations on the global digital compact;

7. *Calls on* the international community to strengthen its support to developing countries most in need, especially given the inequalities and additional strains that interdependent crises have placed on public finances, and to increase the resources available to them to build their capacities to meaningfully participate in and benefit from data and the digital economy;

8. *Calls on* UNCTAD to continue supporting countries in their efforts to increase their readiness for digital transformation, including data governance, and to help close the digital divide, while considering the development dimension and environmental sustainability of digitalization at all levels in its three pillars of work.

*Closing plenary meeting
12 May 2023*

B. Other action taken by the Intergovernmental Group of Experts on E-commerce and the Digital Economy

1. How to make data work for the 2030 Agenda for Sustainable Development (Agenda item 3)

1. At its closing plenary meeting, on 12 May 2023, the Intergovernmental Group of Experts on E-commerce and the Digital Economy adopted a set of agreed policy recommendations (chapter I, section A).

2. Working Group on Measuring E-commerce and the Digital Economy (Agenda item 4)

2. At a meeting on 12 May 2023, the Intergovernmental Group of Experts agreed on the following topics for the fourth meeting of the Working Group on Measuring E-commerce and the Digital Economy:

(a) Progress in measuring e-commerce and the digital economy: Work by relevant international organizations.

- (b) Measuring the value of e-commerce.
 - (c) Non-survey-based measurement of e-commerce and the digital economy.
3. At the same meeting, the Intergovernmental Group of Experts 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.

3. Provisional agenda of the seventh session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy
(Agenda item 5)

4. At its closing plenary meeting, on 12 May 2023, the Intergovernmental Group of Experts decided that, as time constraints had not allowed for finalization and selection of the topic and guiding questions for its next session, the final topic would be submitted to the Trade and Development Board for approval, together with the provisional agenda of the seventh session that would reflect the topic selected. Regional coordinators and member States were encouraged to conduct consultations on proposals, with a view to reaching an agreement on the topic and guiding questions.

II. Chair's summary

A. Opening plenary meeting

5. The Secretary-General of UNCTAD delivered a statement, followed by statements made by the following speakers: the representative of Indonesia, speaking on behalf of the Group of 77 and China; the representative of Nigeria; the representative of the European Union, on behalf of the European Union and its member States; the representative of Tunisia; the representative of Cambodia; the representative of the State of Palestine; the representative of Brazil; and the representative of Kenya.

6. In her opening remarks, the Secretary-General of UNCTAD noted that the sixth session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy offered a unique platform for member States and other stakeholders to discuss how to ensure development gains from the digital economy and harness data for sustainable development. She highlighted that data-driven digital technologies were an important tool in achieving the Sustainable Development Goals. However, there often appeared to be a race between ever-growing problems and ever more powerful technologies. The 2030 Agenda mentioned the word "digital" only once, in reference to bridging the digital divide. Yet since 2015, advancements in the data-driven digital economy had accelerated, including through the spread of fifth-generation technologies, the growing number of devices connected through the Internet of things and the greater use of artificial intelligence software, which was already disrupting education, job markets and creative fields, with implications for biases and inclusivity, as well as peace and security. The Secretary-General emphasized that the real problem was not the unavailability of technologies, but rather their inaccessibility, particularly in the global South. She noted that existing digital divides were even wider in terms of who could benefit from the data-driven digital economy. The world needed effective digital governance to promote the responsible and ethical use of digital technologies, protect individual rights and ensure that the benefits of digitalization were accessible to all. The Secretary-General stated that the goal should be to enable data to flow as freely as necessary and possible, while addressing development objectives, which required a global effort that was multilateral, multisectoral and multi-stakeholder, and that built on existing initiatives in the United Nations and beyond. The Secretary-General concluded by stressing the need for innovative thinking, to enable more effective policymaking, with the involvement of all stakeholders at the national and international levels.

7. A representative of the UNCTAD secretariat introduced the background document titled "How to make data work for the 2030 Agenda for Sustainable Development" (TD/B/EDE/6/2), noting the crucial role of data in addressing economic, social and

environmental challenges and creating private and social value, while ensuring human rights, peace, security and environmental sustainability. Data and data flows needed to be seen as a tool for advancing on the 2030 Agenda and integrated into development policies, yet gains were not automatic. A new data divide was emerging that exacerbated existing divides in digital access and connectivity, both between and within countries. Developing countries had less access to data due to significant gaps in Internet speed and pricing, and market concentration exacerbated this divide. The secretariat underlined the importance of creating an enabling environment for fairly distributed gains from a data-driven digital economy. This required infrastructure development for meaningful connectivity, measures to address skills and capacity shortages, the creation of local or regional digital products and applications, efforts to enhance trust in online transactions, effective solutions for individual control over data, the formulation of competition and tax policies for equitable outcomes and an improved global understanding of data and platform governance. To avoid further fragmentation of the data governance landscape, a balanced global approach to digital and data governance was essential and, to leverage the development potential of data and data-driven solutions in achieving the 2030 Agenda, multi-stakeholder discussions on key data-related policy areas were necessary. These included agreeing on definitions and taxonomies, establishing terms of access to data, strengthening measurement and treating data as a global public good. Existing forums included the Internet Governance Forum and the World Summit on the Information Society Forum, yet there was a possible need for new platforms for the development of balanced data governance at the global level. Finally, the secretariat presented the five guiding questions to be considered, as follows:

- (a) What are the key issues at stake for developing countries in relation to cross-border data flows?
- (b) What would be needed to ensure that the benefits of the digital economy are shared more equitably?
- (c) What national and international policies and support measures can help address the challenges of developing countries in e-commerce and the digital economy?
- (d) What are the implications of cross-border data flows at the regional and international levels in relation to the achievement of the 2030 Agenda?
- (e) What is the best way to contribute to the debate on data governance to maximize the development potential of data?

8. The keynote speaker, the Envoy on Technology of the United Nations Secretary-General, highlighted the potential of the digital economy to contribute to global gross domestic product by 4–15 per cent. However, there were inequalities in human resources and infrastructure related to data, particularly in generative artificial intelligence. The Envoy on Technology emphasized two pathways for leveraging data in the context of achieving the Sustainable Development Goals, namely, data on the Goals and data for the Goals. With regard to the former, data could be used to help measure progress and assess where countries stood in achieving the Goals and targets; and with regard to the latter, data could be harnessed with a view to driving innovation and finding solutions towards achieving the targets. There was a need for greater investment in capacity-building and interdepartmental collaboration on data digitalization and Goals-specific issues. Finally, the speaker highlighted the preparations for the global digital compact by the Office of the Envoy on Technology, with the intergovernmental process led by Rwanda and Sweden as co-facilitators, as an opportunity for multi-stakeholder collaboration on shared principles for an open, free and secure digital future for all.

9. There was broad agreement on the need to leverage the full economic and social potential of data to achieve the Sustainable Development Goals. The representative of a regional group and some delegates reflected on key challenges related to data and cross-border data flows, such as those related to the data and digital divides, access to hard and soft infrastructure, legal frameworks, payment systems and digital literacy. Some delegates highlighted the role of national laws, regulations and policies in addressing the challenges related to the digital economy, such as through legislation on personal data protection, privacy and cybercrime, as well as consumer protection. The representative of a regional group drew attention to the need for transparency and accountability in ensuring a safe,

secure and fair online environment, and for corresponding policies to support such goals as part of overall digital transformation efforts. There was broad agreement that the Intergovernmental Group of Experts represented a unique platform for member States to discuss constructive solutions to common challenges posed by the digital economy and commended UNCTAD efforts in the areas of evidence-based research on e-commerce and the digital economy, capacity-building and technical assistance, such as through the conduct of eTrade readiness assessments.

B. How to make data work for the 2030 Agenda for Sustainable Development

(Agenda item 3)

10. Under the agenda item, the Intergovernmental Group of Experts on E-commerce and the Digital Economy held five round-table discussions.

1. The key issues at stake for developing countries in relation to cross-border data flows

11. Panellists for the first discussion, centred on the first guiding question for the Intergovernmental Group of Experts – what are the key issues at stake for developing countries in relation to cross-border data flows? – comprised Mr. Stefaan Verhulst, Co-Founder, Chief Research and Development Officer, Governance Laboratory, New York University, United States of America; Ms. Dorothea Kleine, Director, Institute for Global Sustainable Development, University of Sheffield, United Kingdom of Great Britain and Northern Ireland; and Ms. Souhila Amazouz, Senior Information and Communications Technology (ICT) Policy Officer, African Union Commission.

12. The first panellist noted that digitalization had enabled the significant datafication of society and that the unique characteristics of digital data enabled the reuse of data, which was particularly promising in a resource-constrained environment. However, there were concerns with regard to the potential misuse of data, lack of access and data asymmetries, notably in relation to cross-border flows. Protecting and preventing the misuse of data in a way that unlocked data flows and accompanying benefits for society required data-related collaboration that was systematic, sustainable and responsible. The panellist stated that systematic collaboration entailed professionalizing data stewardship, sustainable collaboration required acknowledging and addressing the environmental costs of data and responsible collaboration required the prevention of the fragmentation of data governance frameworks, principles and practices.

13. The second panellist discussed the costs of digitalization and increased data flows, noting that current trends in digitalization and datafication could exacerbate global challenges related to environmental sustainability. Electricity use for the production and use of ICT made up approximately 8 per cent of global electricity use and was expected to increase, while global demand for raw materials would also increase further. The panellist detailed the following seven principles for a “digital reset”: regenerative design; system innovations; sufficiency; circularity; sovereignty; resilience; and equity. Finally, with regard to sustainable digitalization, she recommended, among others, the following: maximizing smart logistics; promoting transparency and open design processes for technologies; and incentivizing companies towards data-sharing.

14. The third panellist shared insights on key issues arising from cross-border data flows in Africa. She noted that the main challenges for businesses in Africa, given the low level of engagement with online shopping, related to infrastructure, unreliable payments, the cost of moving people and goods, a lack of information, trust and security concerns and compliance and regulatory issues. At the same time, countries in Africa faced market pressure from technology leaders trading in global data-driven markets, with negative impacts on domestic economies and small market players. In response to the increasing importance of digitalization for sustainable development, the African Union had adopted the Digital Transformation Strategy for Africa, supported by the Data Policy Framework. Finally, the panellist highlighted that, with the operationalization of the African Continental

Free Trade Area, new opportunities could arise from the exponential growth of data and the accompanying technological transformation.

15. In the ensuing discussion, the representative of a regional group and one delegate shared experiences with regard to the challenges presented by cross-border data flows, including in relation to human resources, privacy and security and infrastructure development. The representative of a regional group stated that discussions on closing the digital divide often focused on the supply side, but that emphasis was also being placed on the demand side, particularly in terms of identifying data-sharing objectives and the necessary incentives. One panellist noted the 100 Questions Initiative, focused on critical questions for which data was lacking, stating that the goal should be to unlock existing data to answer these questions. One delegate emphasized the need for regional support in helping countries to develop digital capabilities and achieve digital transformation objectives. Finally, one panellist stressed the need for coordination, to ensure complementarity between various cross-border data-related initiatives, and a common approach, to address the challenges related to data generated by citizens and used by big technology companies.

2. Ensuring that the benefits of the digital economy are shared more equitably

16. Panellists for the second discussion, centred on the second guiding question for the Intergovernmental Group of Experts – what would be needed to ensure that the benefits of the digital economy are shared more equitably? – comprised Mr. Cosmas Zavazava, Director, Telecommunication Development Bureau, International Telecommunication Union; Ms. Malarvizhi Veerappan, Senior Data Scientist, World Bank; Ms. Uma Rani, Senior Economist, International Labour Organization; Ms. Cecilia Rikap, Lecturer, City, University of London; and Mr. Abdul Muheet Chowdhary, Senior Programme Officer, South Centre.

17. The first panellist highlighted the importance of connectivity in all aspects of human life, including health care, education and e-commerce. However, the digital divide remained a significant challenge, with 2.7 billion people offline and unable to participate equally in the digital economy, including 70 per cent of the population of the least developed countries. The panellist addressed issues related to the affordability of services and devices and the lack of digital skills, which posed additional barriers to meaningful connectivity. Member States of the International Telecommunication Union would address the following five thematic priority areas in the next four years: meaningful connectivity; enabling environments; digital transformations; resource mobilization and international cooperation; and cybersecurity. The panellist emphasized the importance of cybersecurity, particularly in protecting women and children online. The International Telecommunication Union worked towards ensuring that an enabling environment was in place for the private sector, provided guidelines for member States and addressed challenges presented by the new age of space, robotics and artificial intelligence.

18. The second panellist discussed the changing data ecosystem and its potential to contribute to development outcomes. Referring to *World Development Report 2021: Data for Better Lives*, she highlighted that while digitalization could deliver more value for development purposes, many low-income countries lacked access to data. The panellist stated that the aim should be to use and reuse data more effectively, to improve development outcomes, and suggested that a new social contract for data was required, to create value, trust and equity for all participants in the process of data creation, sharing and reuse. This required significant improvements in different layers of data governance frameworks, namely, infrastructure policies and regulations; economic policies and institutions; and data regulations and data sharing. Improvements in the first layer could help level the playing field in the data economy, and included policies to ensure adequate infrastructure to exchange, store and process data efficiently over the Internet. The second layer related to laws and regulations to safeguard and enable the creation, collection, processing and use of data. The third layer was important in harnessing the economic value of data through competition, trade and taxation measures. The final layer related to the institutions required to implement and enforce policies and regulations.

19. The third panellist addressed the role of digital labour platforms in transforming work. According to a recent report by the International Labour Organization, activities related to such platforms had increased fivefold over the past decade. Platforms played a key role in the generation of data, which was critical for machine learning. Digital platforms collected large amounts of data, yet the data were not structured and often needed to be cleaned. Much of this work was externalized using digital labour platforms. In many developing countries, such platforms were a way to harness technology for development and to formalize employment. However, the panellist noted that they posed challenges related to the extraction of over-skilled workers from the economy and led to the unequal distribution of gains, as the platforms accessed a global low-cost labour force, while gains accrued mainly in home countries. Addressing such concerns required policy dialogue and coordination, transparency with regard to algorithms, data protection and taxation and social protection policies.

20. The fourth panellist discussed how artificial intelligence software was co-produced globally, yet the associated technology and profits were concentrated in a handful of companies, mostly based in a few countries. Big technology companies had a monopoly in the field of artificial intelligence research, concentrating the knowledge and infrastructure needed to process and monetize the technology, focusing on algorithms related to deep learning or neural networks that required a large amount of data. This was performed in cooperation with universities, public research organizations and other companies worldwide, yet big technology companies patented the technologies, defined the terms and conditions and occupied key gatekeeping positions in global artificial intelligence networks. The panellist highlighted the need for a better understanding of the technicalities as a prerequisite to being able to distribute the gains from artificial intelligence more equitably. The concentration of power and profits raised questions about accountability, transparency and democratic control over artificial intelligence systems; in this context, better collaboration, the sharing of knowledge and resources and alternative models of artificial intelligence governance were needed.

21. The fifth panellist discussed the need for a fair and effective tax system in the digital economy, particularly in relation to big technology companies. He highlighted the following three key characteristics of the digital economy that contributed to the low effective tax contributions of such companies: economies of scale; reliance on intangible assets; and data and user participation. There was a need for a global agreement to reform the international tax system and prevent profit shifting to tax havens. The panellist noted the need for the implementation of a minimum effective tax rate, emphasizing that a fair and effective tax system for the digital economy was necessary, to achieve a more equitable distribution of gains, particularly among developing countries, and to achieve the Sustainable Development Goals.

22. In the ensuing discussion, several experts shared concerns with the distribution of gains in the digital economy and the role of taxation in this context. Some experts highlighted policies that prevented anticompetitive practices and promoted fair and open markets in the digital economy, and a few experts noted the importance of labour laws and of securing fair compensation for online workers. A few experts emphasized the need to strengthen data governance frameworks and regulations, including those related to cybersecurity and data protection. One expert noted that it was important to keep in mind compliance costs, which might pose a barrier, in particular for small and medium-sized enterprises. Finally, a few experts highlighted the need for infrastructure development, as well as the role of digital literacy, skills and capacity-building.

3. National and international policies and support measures can help address the challenges of developing countries in e-commerce and the digital economy

23. Panellists for the third discussion, centred on the third guiding question for the Intergovernmental Group of Experts – what national and international policies and support measures can help address the challenges of developing countries in e-commerce and the digital economy? – comprised Mr. Sharad Sharma, Co-Founder, iSpirt Foundation; Mr. Sebastian Rovira, Economic Affairs Officer, Economic Commission for Latin America and the Caribbean; Mr. Hassan Nasser, Vice-President, International Affairs, Digital

Cooperation Organization; and Ms. Damilola Olokesusi, Co-Founder, Chief Executive Officer, Shuttlers.

24. The first panellist presented the experience of India in developing digital public infrastructure to harness data for the economy and society. The aim was to deliver inclusion through exchanges of information, money and personal information in a way that put people in charge of personal data. The panellist detailed plans in India for establishing open networks for markets, health and credit that protected participant rights, with built-in safeguards against abuse and a minimal need for regulatory oversight. The panellist highlighted that establishment of a digital public infrastructure was aimed at preventing the monopolization of data, authoritarianism and the involuntary extraction of value from data, in support of a more equitable distribution of gains from the digital economy. The panellist concluded by noting the need for more “techno-legal” regulation that would allow the public sector to help shape technological systems.

25. The second panellist discussed digital transformation challenges in Latin America and the Caribbean. The region had made progress in Internet connectivity and subscriptions, yet challenges remained with regard to bringing more people online and improving digital skills. The digital economy ecosystem of the region lagged behind in comparison with that in member countries of the Organisation for Economic Co-Operation and Development, although levels of digital development differed between sectors. The panellist stressed the need to overcome silo-type approaches to public policies and regulations, including in areas such as telecommunications, data protection and security, consumer protection and sectoral policies. National digital policies were becoming more important, and many countries were already implementing them. The panellist concluded by detailing the Latin America and the Caribbean digital agenda, which aimed for a more inclusive, productive and sustainable digital agenda that benefited people and the planet.

26. The third panellist discussed the Digital Cooperation Organization, an intergovernmental organization supporting States in addressing challenges stemming from the digital economy. The organization had a multifaceted approach and aimed to develop three flagship interventions. First, the organization aimed to create a cross-border digital market that empowered microenterprises and small and medium-sized enterprises for cross-border e-commerce, and had launched a digital foreign direct investment initiative and a support programme to help such enterprises reduce barriers and to transition to e-commerce, for broader market access. Second, the organization was developing approaches to maximize the value of cross-border data flows. Third, the organization aimed to help design an inclusive, sustainable and responsible digital economy, and advocated for environmentally friendly and sustainable initiatives. The panellist concluded by highlighting the importance of cooperation in bridging the digital divide, broadening the benefits of the digital economy and mitigating risks.

27. The fourth panellist highlighted challenges based on an entrepreneurial perspective. She presented the data-driven business model of a fleet management company, which aimed to make commuting safer and more convenient, and detailed the initial difficulties faced in accessing and utilizing data, mainly due to a lack of resources. Data use had ultimately allowed for on-demand operational insights and more cost-efficient services. The panellist highlighted how data analytics could increase business efficiency and lead to cost reductions. She concluded by noting that a lack of start-up funding and skills posed challenges for entrepreneurs in developing countries and suggested that policymakers could contribute to closing this gap.

28. In the ensuing discussion, a few delegates noted that many developing countries did not have the capacity to fully participate in the digital economy or achieve a more equitable distribution of gains from digitalization. Some delegates highlighted national policies and initiatives for harnessing data for the economy and society, including by improving infrastructure for connectivity; improving data privacy and protection; developing digital public infrastructure to support inclusiveness; developing e-commerce; developing skills; and establishing dedicated ministries and agencies. A few delegates detailed the multilateral initiatives of the Group of 20, one aimed at strengthening international cooperation for the development of the digital economy and the other, at promoting and strengthening digital public infrastructure. With regard to a query from one delegate on how to harness data for

development in the context of intellectual property rights and trade agreements, one panellist shared the model used in India, whereby software could only be copyrighted, not patented, allowing more room for regulatory oversight. Finally, a few delegates expressed appreciation to UNCTAD for support in the areas of e-commerce readiness and data governance.

4. The implications of cross-border data flows at the regional and international levels in relation to the achievement of the 2030 Agenda

29. Panellists for the fourth discussion, centred on the fourth guiding question for the Intergovernmental Group of Experts – what are the implications of cross-border data flows at the regional and international levels in relation to the achievement of the 2030 Agenda? – comprised Ms. Anna Karin Eneström, Permanent Representative of Sweden to the United Nations; Mr. Tawfik Jelassi, Assistant Director-General for Communication and Information, United Nations Educational, Scientific and Cultural Organization (UNESCO); Ms. Nanjala Nyabola, Member, Secretary General’s High-Level Advisory Board on Effective Multilateralism; and Ms. Irene Kitsara, European Standardization Initiatives Director, Institute of Electrical and Electronics Engineers.

30. The first panellist addressed the importance of the global digital compact, noting its critical role in preparing for the Summit of the Future in 2024 and in shaping a shared vision of digital cooperation. The panellist highlighted the inclusive, transparent and informal nature of the consultations, which had included participation from a wide range of stakeholders representing civil society, youth, minority communities, the private sector and the technology community, and had focused on the following eight themes: digital inclusion and connectivity; Internet governance; data protection; human rights online; digital trust and security; artificial intelligence and other emerging technologies; global digital commons; and accelerating progress on the Sustainable Development Goals. The panellist stressed the wide range of priority issues that had emerged through the consultations, including the need to bridge the digital divide, ensure meaningful and affordable connectivity for all, build digital skills and trust and use digital cooperation in achieving the 2030 Agenda.

31. The second panellist discussed the multi-stakeholder consultations launched by UNESCO in September 2022 and the Internet for Trust conference held in February 2023. The objective of the consultations was to inform the design of guidelines for the regulation of digital platforms in conformity with international human rights standards. The guidelines would serve as a good practice resource and accountability tool for stakeholders. The panellist concluded by highlighting collaboration by UNESCO in the context of contributions to the Summit of the Future and to policy briefs related to *Our Common Agenda*, the report of the Secretary-General.

32. The third panellist shared key insights from a recent report by the High-Level Advisory Board on Effective Multilateralism on the following six transformative shifts that could help address current and future challenges: rebuilding trust in multilateralism; planet and people; global finance; digital and data governance; peace and prevention; and anticipatory action. She elaborated on each shift, noting that inclusive and effective multilateralism required a fundamental transformation towards more accountable decision-making, representing people in the multilateral system. With regard to the shift on digital and data governance, the panellist stressed the importance of support for a just digital transition that unlocked the value of data and provided protection from digital harm. Digitalization had significant social implications; therefore, discussions needed to go beyond the technical component, to take into account the human aspect of digital transformation. The panellist stated that this could only be achieved through a people-centred and rights-based approach to digitalization, supported by a renewed commitment to multilateral and multi-stakeholder cooperation.

33. The fourth panellist discussed the importance of and challenges related to data governance in the digital economy. She highlighted the differences between proprietary data, sensitive data and open data, as well as issues in relation to accessibility, privacy, security and ownership. Balancing commercial and social benefits from data was an important consideration. The panellist referred to key findings in *Digital Economy Report*

2021: *Cross-border data flows and development* – For whom the data flow on fragmentation in the global landscape of data governance; the lack of globally agreed common definitions; and the lack of understanding of basic concepts related to data and data flows. She emphasized the significance of standards and their role in creating harmonized frameworks and in advancing international cooperation in research and development, product development and the facilitation of international trade. The panellist concluded by emphasizing the crucial role of partnerships between United Nations entities, standard-setting organizations and policymakers.

34. In the ensuing discussion, the representative of a regional group and some delegates shared national and regional experiences with regard to data governance. The representative of a regional group and one delegate stressed the need for institutional frameworks that addressed data governance in a holistic manner, anchored by a human-centric approach that sought to empower individuals to control personal and non-personal data while promoting competition and protecting privacy. One delegate, noting the importance of a human-centric approach, highlighted the need for the international community to support developing countries with technology transfer, and another delegate stressed the need for more investment for effective data management and digitalization. One delegate stated that regulatory fragmentation was a particular concern and could negatively impact international cooperation on data governance. Experts generally agreed on the need for multilateral engagement on policymaking that served the 2030 Agenda.

5. The best way to contribute to the debate on data governance to maximize the development potential of data

35. Panellists for the fifth discussion, centred on the fifth guiding question for the Intergovernmental Group of Experts – what is the best way to contribute to the debate on data governance to maximize the development potential of data? – comprised Mr. David Jensen, Coordinator, Digital Transformation Programme, United Nations Environment Programme; Ms. Lorryne Porciuncula, Co-Founder, Executive Director, Datasphere Initiative; Ms. Anita Gurumurthy, Executive Director, Information Technology for Change; Ms. Sorina Teleanu, Director of Knowledge, Diplo Foundation; and Mr. Paul Twomey, Co-Chair, Global Initiative for Digital Empowerment.

36. The first panellist discussed challenges related to connecting the digital and green transitions and highlighted the importance of environmental data in effective monitoring and action. Major challenges in the governance of environmental data related to the lack of global standards, privacy and security concerns, limited capacity to collect and process data and the fragmentation of national approaches to data governance. The panellist suggested that a global environmental data strategy underpinned by international standards was needed, along with national digital transformation strategies to explicitly recognize environmental goals. He emphasized the role of environmental data in furthering national sustainable development goals and measuring the impact of the digital sector, as well as the need to strengthen public and private sector capacities to collect and use environmental data. The panellist concluded by noting three initiatives through which environmental concerns could be addressed, namely, the global digital compact, the United Nations Environment Assembly and the Coalition for Digital Environmental Sustainability.

37. The second panellist addressed the often-polarizing concepts of the free flow of data and data sovereignty. She emphasized the need for a systemic, innovative and positive approach to data governance, facilitated by a shared data-related vocabulary and a multidimensional understanding of data. The panellist highlighted challenges related to measuring the economic and social value of data and discussed the concept of the datasphere, a complex system encompassing all types of data and their interactions with human groups and norms. She highlighted the “Goldilocks zone” as an alternative to protection versus openness approaches, where responsibly unlocking the value of data required striking an optimal balance. The panellist concluded by stressing the importance of operational and regulatory sandboxes, to enable a more flexible approach to regulation and facilitate a paradigm shift in data governance.

38. The third panellist emphasized the importance of distinguishing between substantive participation and adverse incorporation and stressed that redistributing the benefits of data

required a reset of the terms of control. She noted that data governance needed to be considered a necessity and proportionality issue in development. Data governance discussions needed to support global development goals but also provide policy space for countries at different levels of digitalization to be able to achieve national priorities and development objectives. The panellist outlined a three-pronged approach to national data governance, involving a new social contract for the platform age; public platform infrastructure and other digital public goods; and institutional arrangements to ensure the health of the platform economy and prevent the private capture of public goods. She highlighted the importance of public finance and measurement efforts to build digital infrastructure. The panellist concluded by emphasizing that the multi-stakeholder approach to data governance required meaningful public participation and that civil society and other actors should hold the State accountable.

39. The fourth panellist focused on how artificial intelligence could be leveraged for sustainable and inclusive development and outlined potential solutions to addressing biases in artificial intelligence, as well as the role of data in this regard. She emphasized that biases that hindered inclusion went beyond technical and societal biases, such as gender-related and racial biases, to include availability and selective perception biases. The panellist highlighted the importance of diversity in data, not only in terms of representation but also provenance, to ensure that data reflected the experience of the relevant region or population group. The panellist, noting the three foundations for a renewed social contract identified in *Our Common Agenda* (trust; inclusion, protection and participation; and measuring and valuing what matters to people and the planet), stressed the need to make artificial intelligence more representative of diverse communities in a transparent way. To achieve this, suggested measures included ensuring that data sets used to train artificial intelligence software were inclusive of cultures and languages worldwide and included data embedded in different cultural, social and other contexts.

40. The fifth panellist discussed the growing disparity between Internet use and trust, as exemplified by online privacy concerns, and highlighted some of the issues arising from the current data governance regime. The problem was a “third party-funded digital barter” enabled by the digital services model, whereby one part of the model functioned as a market while the other did not. The panellist stated that current policy approaches to data governance only addressed the symptoms and should focus instead on improving market functions. The suggested way forward was to give citizens control over their data, with the following four solutions proposed: provide citizens with control over their personal data and access to it; enable citizens to negotiate the terms of their personal data usage; protect vulnerable citizens by imposing fiduciary obligations on inferred data usage; and create accountable and effective data commons. The panellist concluded by emphasizing the availability of multiple technologies to support such solutions.

41. In the ensuing discussion, a few delegates highlighted the need for international cooperation and a multi-stakeholder approach to global data governance, underlining the urgent need to overcome the currently fragmented data governance framework and to devise a better global data governance model for development. A few experts discussed data categorization and data contextualization, as well as the importance of designing better tools instead of focusing on fitting data into existing tools. Some experts considered the use of regional data governance frameworks and sectoral approaches in the process of achieving a global data governance framework. One expert noted the challenge of collecting data from the informal sector, and some experts discussed the need to act on available environmental data, to mitigate climate change risks and integrate such data into national and global development strategies, noting the digital product passport in this regard. Finally, several experts agreed that more capacity-building support needed to be provided to developing countries, to enable participation in the global data governance discourse, with UNCTAD and other international and civil society organizations highlighted as key actors in building capacity and facilitating dialogue.

C. Working Group on Measuring E-commerce and the Digital Economy

(Agenda item 4)

42. The Chair of the third meeting of the Working Group on Measuring E-commerce and the Digital Economy presented the report of the meeting (TD/B/EDE/6/3). The meeting had discussed updates on the measurement of e-commerce and the digital economy by relevant international organizations, which showed that countries with a better prepared digital infrastructure had fared better during the pandemic, given the various obstacles faced by national statistical offices in developing countries. Future methodological research and capacity-building in this area needed to consider how to better reflect the informal sector. The Working Group had also considered the definition of the digital economy for statistical purposes. There was a lack of a widely accepted definition, yet various components had been quantified in the context of economic and trade statistics; more work was necessary to develop a more complete picture of the digital economy. In addition, the Working Group had considered two draft chapters of a forthcoming second version of a handbook on measuring digital trade by the Organisation for Economic Co-operation and Development, World Trade Organization, International Monetary Fund and UNCTAD, as well as a draft version of *Measuring the Value of E-commerce*.¹ The Working Group had discussed web scraping techniques and data-sharing mechanisms with regard to official statistics on e-commerce and the digital economy, noting that statistical offices in both developing and developed countries continued to explore methods for leveraging big data more effectively in official statistics. There was an ongoing need to focus on reliability and accuracy, as well as other aspects of quality, when employing web-based content to generate statistics. The Working Group considered the measurement of the gender dimension in e-commerce and the digital economy; improvement in this regard was important, to better understand how women participated in the digital economy, and to support related policymaking and progress towards Sustainable Development Goal 5 on gender equality. The measurement of informal elements of the digital economy was a key step in ensuring that the role and contribution of women were fully reflected in statistics. In this regard, more training and resources to help create gender-specific statistics were important, including when working with big data. The Working Group had encouraged national statistical offices to produce the core indicators on gender in ICT related to employment, business and entrepreneurship proposed by the Partnership on Measuring ICT for Development and to consider applying the UNCTAD conceptual framework for measuring gender in trade statistics to digital trade or to the ICT sector. Such efforts could further enhance the understanding of gender dynamics in these areas.

43. The experts welcomed the work of UNCTAD and the working group and agreed on the proposed topics for its fourth meeting (see chapter I). In the ensuing discussion, with regard to the proposed task group, some delegates noted the importance of developing guidelines on measuring the value of e-commerce, including cross-border e-commerce. One delegate, noting that UNCTAD received numerous requests from developing countries for assistance with measuring the economic value generated through e-commerce, stated that establishing a task group was a key step in beginning to respond to such requests and that a better understanding of the different facets of e-commerce and how it affected economies, firms and individuals worldwide was a key measurement challenge that merited further discussion. In addition, progress in this area would support the work of the Task Team on Globalization and Digitalization under the United Nations Committee of Experts on Business and Trade Statistics, currently led by Statistics Canada.

¹ See <https://unctad.org/publication/measuring-value-e-commerce>.

III. Organizational matters

A. Election of officers

(Agenda item 1)

44. At its opening plenary meeting, on 10 May 2023, the Intergovernmental Group of Experts on E-commerce and the Digital Economy elected Mr. Sabri Bachtobji (Tunisia) as its Chair and Mr. Kemvichet Long (Cambodia) as its Vice-Chair-cum-Rapporteur.

B. Adoption of the agenda and organization of work

(Agenda item 2)

45. Also at its opening plenary meeting, the Intergovernmental Group of Experts adopted the provisional agenda, as contained in document TD/B/EDE/6/1. The agenda was thus as follows:

1. Election of officers.
2. Adoption of the agenda and organization of work.
3. How to make data work for the 2030 Agenda for Sustainable Development.
4. Working Group on Measuring E-commerce and the Digital Economy.
5. Provisional agenda of the seventh session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy.
6. Adoption of the report of the Intergovernmental Group of Experts on E-commerce and the Digital Economy.

C. Adoption of the report of the Intergovernmental Group of Experts on E-commerce and the Digital Economy

(Agenda item 6)

46. At its closing plenary meeting, on 12 May 2023, the Intergovernmental Group of Experts on E-commerce and the Digital Economy authorized the Vice-Chair-cum-Rapporteur, under the authority of the Chair, to finalize the report on its sixth session after the conclusion of the session.

Annex

Attendance*

1. Representatives of the following States members of the Conference attended the session:

Angola	Namibia
Argentina	Netherlands (Kingdom of the)
Australia	Nicaragua
Austria	Niger
Bangladesh	Nigeria
Barbados	Oman
Belgium	Pakistan
Bolivia (Plurinational State of)	Panama
Brazil	Papua New Guinea
Cabo Verde	Paraguay
Cambodia	Peru
Canada	Philippines
Chile	Portugal
China	Russian Federation
Colombia	Saudi Arabia
Congo	Senegal
Costa Rica	Seychelles
Czechia	Singapore
Democratic Republic of the Congo	South Africa
Djibouti	Spain
Dominican Republic	Sri Lanka
Egypt	State of Palestine
Ethiopia	Thailand
France	Togo
Gabon	Trinidad and Tobago
Germany	Tunisia
Haiti	Türkiye
India	Uganda
Indonesia	United Kingdom of Great Britain and Northern Ireland
Iraq	United Republic of Tanzania
Jamaica	United States of America
Japan	Uruguay
Kenya	Venezuela (Bolivarian Republic of)
Lebanon	Viet Nam
Malaysia	Zambia
Mali	Zimbabwe
Mauritius	
Mexico	
Morocco	

2. The following intergovernmental organizations were represented at the session:

African Union
Commonwealth Secretariat
European Union
Organisation internationale de la francophonie
Organization of African, Caribbean and Pacific States

* This attendance list contains registered participants. For the list of participants, see TD/B/EDE/6/INF.1.

Organisation of Eastern Caribbean States
South Centre

3. The following United Nations organs, bodies and programmes were represented at the session:

Department of Economic and Social Affairs
Economic and Social Commission for Western Asia
Economic Commission for Latin America and the Caribbean
Office of the Secretary-General's Envoy on Technology
United Nations Environment Programme
United Nations Office on Drugs and Crime

4. The following specialized agencies and related organizations were represented at the session:

Food and Agriculture Organization of the United Nations
International Labour Organization
International Telecommunication Union
Universal Postal Union
World Bank Group
World Intellectual Property Organization

5. The following non-governmental organizations were represented at the session:

General category

Asia Pacific Forum on Women, Law and Development
Civil Society Coalition
Consumer Unity and Trust Society International
Consumers International
International Bar Association
International Chamber of Commerce
International Network for Standardization of Higher Education Degrees
International Organization for Standardization
International Trade Union Confederation
Third World Network
