

Session Outcome Document

WSIS Action Line C7: E-business and the Global Digital Compact

International Trade Centre, Universal Postal Union, UN Trade and Development

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<https://www.itu.int/net4/wsis/forum/2024/Agenda/Session/235>

Key Issues discussed (5- 8 bullet points)

- E-business is about creating digital opportunities for businesses and development. The Global Digital Compact (GDC) Rev 1 draft covers several *objectives* that are relevant to the e-business action line: one concerns the need to expand inclusion in and benefits from the digital economy, another deals with the international governance of data, which is a driver of the digital economy, and a third with Artificial Intelligence (AI).
- Many of the principles in the GDC draft are also relevant from the e-business perspective: inclusivity, development orientation, gender equality and empowering of female leadership, environmental sustainability and equity, and innovation-friendliness.
- The GDC draft refers to established WSIS follow-up entities, such as the Internet Governance Forum, the WSIS action lines, and the Commission on Science and Technology for Development. In addition, the Office of the Special Envoy of Technology is supporting the process of developing the GDC.
- The GDC draft has many useful and good intentions, but there is scope to strengthen certain important issues related to e-business. There is little mention of inclusive trade or digital trade, of small businesses (not only entrepreneurs) and of the governance of digital platforms. There is also a need for more emphasis on ensuring that the benefits of the digital economy are distributed equitably.
- The postal network continues to be a key vehicle for digital inclusion specifically for micro, small, and medium-sized enterprises (MSMEs). It can advance the deployment of the digital infrastructure and the uptake of digital services, including financial and e-government

services. The draft of the GDC should include post offices in its commitment to universal connectivity.

- The GDC should clearly acknowledge the current shortfalls, as well as the tremendous opportunities, of digitalization for development. The text could eventually emphasize more the challenges we need to address in digital governance, or policies that are not purely digital in nature, such as competition and taxation, but are needed to frame the digital economy. The draft could also recognize that MSMEs, especially from developing countries, should be adequately represented in the dialogue around digitalization for development.
- The principle of a right to participate in online trade should be formulated, given that the future of work may entail access to digital networks and services.

Towards WSIS+20 and WSIS beyond 2025, please share your views on the emerging trends, challenges, achievements, and opportunities in the implementation of the WSIS Action Lines to date (5-8 bullets)

- WSIS beyond 2025 should consider the objectives laid out in the GDC and reflect how a well-established WSIS process can support their implementation.
- The need for data and official statistics to support digital economy policy making and monitoring is more pressing than ever. Countries and international organizations must improve the availability of internationally comparable statistics on e-commerce and the digital economy.
- For example, in Zambia, despite availability of ICT services and improvements in connectivity due to infrastructure deployments, the actual adoption or usage of e-commerce by the MSMEs is relatively low. The GDC could offer prospects for unlocking adoption of e-commerce among the MSMEs. It could increase the availability of resources to leverage e-commerce or develop digital skills among MSMEs.
- Another example, in Kenya, there is a \$340 billion financing gap in fintech for underserved MSMEs, mostly informal. Fifty percent of those who are excluded are women across sub-Saharan Africa.

Tangible outcomes (such as key achievements, announcements, launches, agreements, commitments, figures, and success stories (3-5 bullet points))

- UNCTAD's eTrade Readiness Assessments have been of great importance for developing countries to diagnose gaps in key policy areas that enable digital readiness and e-commerce. For example, Trinidad and Tobago not only identified gaps, but also challenges and

opportunities. The assessment will serve as a basis for the development of a national e-commerce strategy and put the country on a pathway towards meaningful inclusion into the global digital economy. Access to such support services may not be sufficiently inclusive: there appears to be a gap in funding that may exclude access to international support on the part of small non LDC countries.

- In this context, the action line on e-business welcomes the mention in the GDC of multilateral organizations as well as governments to support national digital readiness assessments and provide technical assistance.
- The GDC should be very deliberate in articulating the actions that various stakeholders will need to take to achieve its objectives. It will be a collaborative effort.

Actionable plan and key recommendations (2-5 points)

- It's important to ensure that the GDC pays adequate attention to small businesses, trade and governance to ensure equitable outcomes from digitalization.
- We need to consider holistic and practical approaches to the implementation of the GDC objectives. For example, to drive digital financial inclusion for women in developing countries, we must address cultural barriers, policies that prevent women from accessing affordable credit, and providing financial education and developing digital skills.
- Governments and international organizations should continue working to improve the availability of official statistics on e-commerce and the digital economy that can support e-commerce and digital economy for development policies.

Suggestions for thematic aspects that might be included in the WSIS Forum 2025 (one paragraph)

- Ensuring coherence in the implementation of WSIS and Summit of the Future outcomes.
- Bridging the digital divide: Strategies to ensure equitable access to ICT for all, including marginalized communities, rural areas, and developing countries.
- Future of work: Impact of digital transformation on jobs, skills, and employment.
- AI for good: Harnessing artificial intelligence to address global challenges and improve quality of life.
- Enhancing digital skills: Initiatives to improve digital literacy and education at all levels.