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

Held at the Palais des Nations, Geneva, from 27 to 29 April 2022



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Introduction

The fifth session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy was held at the Palais des Nations, Geneva, from 27 to 29 April 2022, with physical and remote participation.

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

A. Recovering from COVID-19 in an increasingly digital economy: Implications for sustainable development

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 following the coronavirus disease (COVID-19) pandemic, the acceleration of global digital transformation, which was well under way, has played a critical role in mitigating the health, social and economic effects of the pandemic while offering many new opportunities, as well as accentuating challenges for achieving the Sustainable Development Goals,

Recognizing that the sharing of data, information and technology is crucial for the detection, prevention, treatment and control of the pandemic, but that such sharing has also led to increased concerns and risks related to data protection, misuse of data, privacy and human rights, as well as to misinformation and threats to cybersecurity,

Noting with concern that 37 per cent of the world's population remains offline and that the pandemic has made the digital divide even more evident, as the most vulnerable and unprepared for digitalization have been disproportionately affected and been the least able to make use of digital solutions,

Highlighting that digitalization, though uneven, has been truly transformative, significantly altering many aspects of modern life and being at the centre of an economic transformation with opportunities and changing what is consumed, produced and traded,

Noting that digitalization also comes with challenges that require closing the digital divide between and within developed and developing countries, by enhancing the availability of digital tools and resources, to provide an opportunity for structural transformation and economic diversification and, thereby, provide options for improving the income and resilience of microenterprises and small and medium-sized enterprises and vulnerable groups, including women and youth,

Noting with concern that accelerated digitalization during the pandemic has reinforced the market concentration of global digital platforms and increased their power and responsibilities, 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,

Recognizing that digital technologies can be key in the recovery by driving structural transformation in the pursuit of building equitable, sustainable, inclusive and resilient economies and societies,

1. *Encourages* Governments and the international community to adopt policies to make use of the opportunities of the digital economy and to address the challenges of the digital divide between and within countries, including through a holistic and whole-of-government approach, so as to increase the resilience and capacities of countries to use digitalization to deal with crises and to ensure that the benefits of digital transformation are shared by all, while building a better future and accelerating the pace towards the timely accomplishment of the Sustainable Development Goals;
2. *Stresses* that the need to support developing countries' digital transformation, while taking account of the challenges and opportunities of new realities and swift technological change, has become an even more pressing policy priority as a result of the pandemic, requiring doubling down on efforts, including by boosting resources for such transformation, private and public and domestic and international;
3. *Notes* that digitalization that ensures a more resilient, inclusive, environmentally sound and sustainable world requires inclusive international dialogue and cooperation, as well as continued strengthening of the participation of developing countries in relevant processes;
4. *Recognizes* that efforts at the international level, with an emphasis on finding common principles and objectives, are needed to address interconnected global challenges, maximize the gains of the digital economy and digitalization, ensure an equitable distribution of the gains and minimize the risks involved;
5. *Calls on* the international community to strengthen its support to developing countries, in particular the least developed countries and those further behind, to build their capacities to participate in and benefit from e-commerce and the digital economy;
6. *Calls on* UNCTAD to continue supporting developing countries in their efforts to increase their readiness to engage in and benefit from e-commerce and the digital economy, for example through eTrade Readiness Assessments; the development of digital entrepreneurial skills and literacy, including for microenterprises and small and medium-sized enterprises; and consideration of the development dimension of digitalization across its three pillars of work.

*Closing plenary meeting
29 April 2022*

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

1. Recovering from COVID-19 in an increasingly digital economy: Implications for sustainable development

(Agenda item 3)

1. At its closing plenary meeting, on 29 April 2022, 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 29 April 2022, the Intergovernmental Group of Experts agreed on the following topics for the third meeting of the Working Group on Measuring E-commerce and the Digital Economy:

(a) Progress in measuring work on e-commerce and the digital economy and knowledge resources by relevant international organizations;

(b) Defining the digital economy for statistical purposes;

- (c) Mechanism to implement web scraping techniques and facilitate data transfers to produce official statistics on e-commerce and the digital economy;
- (d) Measuring the gender dimension in e-commerce and the digital economy.

3. **Provisional agenda of the sixth session of the Intergovernmental Group of Experts on E-commerce and the Digital Economy**

(Agenda item 5)

3. At its closing plenary meeting, on 29 April 2022, 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 discussed at a meeting of the extended Bureau of the Trade and Development Board and be submitted to the Board for approval, together with the provisional agenda of the sixth 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**

4. The Secretary-General of UNCTAD delivered a statement, followed by statements made by the following speakers: the representative of Barbados, speaking on behalf of the Group of 77 and China; the representative of the European Union, on behalf of the European Union and its member States; the representative of the Philippines, on behalf of the Asia-Pacific Group; the representative of the Republic of Korea, on behalf of the JUSSCANNZ group; the representative of Pakistan; the representative of Nigeria; the representative of Malawi; the representative of the Russian Federation; the representative of Indonesia; the representative of India; and the representative of Ukraine.

5. In her opening remarks, the Secretary-General of UNCTAD noted that the fifth session of the Intergovernmental Group of Experts was the first to be held after the fifteenth session of the United Nations Conference on Trade and Development, at which there had been broad consensus that the widening digital divide and the uneven speed of digital transformation were major challenges for the world. The ability of countries to participate in and benefit from economic opportunities depended on their digital capacities, even more so as the world was becoming ever more digital. The COVID-19 pandemic had made evident the importance of digital technologies to build resilient systems that were open, inclusive and secure, and that benefited all. However, uneven digitalization and a widening digital divide, in terms of Internet access affordability, speed and use, presented major challenges for inclusive and sustainable development. Moreover, as highlighted in *Digital Economy Report 2021: Cross-Border Data Flows and Development – For Whom the Data Flow*, the traditional digital divide was compounded by a data-related divide. The Secretary-General stated that, to ensure that digital transformation was an essential element of a more inclusive and productive society, Governments in developing countries needed to address a large number of policy areas in parallel and in a coordinated manner, while keeping up with new challenges emerging from the fast-evolving digital economy. If left unaddressed, such gaps would further exacerbate existing inequalities. Accordingly, member States had called for the strengthening of UNCTAD work on assisting developing countries to enhance their readiness to engage in and integrate into the digital economy. In future, increased multilateral dialogue and cooperation would be essential, to enhance the development potential of the digital economy. As a space for policy dialogue and exchanges of experiences in the digital economy, the Intergovernmental Group of Experts could help countries take stock of their digital readiness and discuss lessons learned during the pandemic, areas for improvement and emerging challenges, such as the environmental implications of digitalization. The Secretary-General noted that governance was crucial in the process of digital transformation, as it greatly determined the outcomes. The policy challenges involved were complex and required cooperation beyond the national level, for

example, in competition, taxation, data and trade policies. Moreover, fostering inclusive and sustainable outcomes required effective international collaboration and policy dialogue, with the full involvement of countries at all levels of development. Achieving consensus meant having the flexibility to account for the variations in digital readiness in different countries. Finally, the Secretary-General stressed that data and evidence were critical to ensuring informed policymaking, in order to benefit from the digital economy.

6. A representative of the UNCTAD secretariat introduced the background document titled “Recovering from COVID-19 in an increasingly digital economy: Implications for sustainable development” (TD/B/EDE/5/2), noting that, during the pandemic, digital technologies had been critical for health-related and non-health responses and for the continuation of economic activity. Global bandwidth had grown significantly, as had international trade in information and communications technology (ICT) goods and services and ICT-enabled services, while e-commerce platforms had had exponential sales growth. This accelerated digitalization had yielded lessons with regard to leveraging digital technologies for inclusive and sustainable development, starting with the realization that data was an economic and strategic resource that could be harnessed to manage global crises. However, the pandemic had served to exacerbate digital and data-related divides and inequality, both between and within countries. Differences in digital readiness had been seen in connectivity and data infrastructure, digital entrepreneurship, skills and the availability of financial resources and institutional capacities for digital transformation. Most developing countries had limited capacities to transform data into digital intelligence and add value, creating a data divide, with the least developed countries the most disadvantaged. During the pandemic, countries with access to affordable and reliable digital infrastructure and skills to use such technologies had reaped more benefits from global digital markets. The secretariat stated that the cross-border sharing of health-related data had allowed for the global management of the pandemic, including by monitoring the spread, developing vaccines in record time and addressing disinformation. Similar collaborative efforts could be useful in addressing other significant global development challenges, such as climate change, while having timely data at the national level was essential, to inform domestic policy responses. Moreover, a sustainable course for recovery from the pandemic required the transformation of the global economy, and international digital cooperation could support efforts to build a better future. Stimulus packages and investments needed to pay due attention to building capacities in digital infrastructure and skills, to support innovation and value creation. Developing countries and the least developed countries required policy space and more international support for digital transformation. The secretariat noted that the United Nations could play a role in global data governance to help, inter alia, reduce inequality; agree on digital rights, principles and standards; develop global digital public goods; address policy challenges emerging from the dominance of global digital platforms; and ensure the equal representation of developing countries in global policymaking. A new global institutional framework for data governance would need to be multilateral and multidisciplinary and a multi-stakeholder one. Finally, the secretariat presented the four guiding questions to be considered, as follows:

- (a) What is the role of digitalization during the pandemic and during recovery in countries at different levels of development?
- (b) What have been the challenges faced in harnessing digital solutions to cope with the pandemic?
- (c) What are the lessons to be learned from policy responses?
- (d) Moving forward, what is the role of international cooperation?

7. There was broad agreement that, during the pandemic, digitalization had played an important role in mitigating the impacts of the crisis, but also that there was an uneven level of ability among countries to use digital solutions and to benefit from the opportunities of digitalization. There was broad recognition that digital tools had ensured continuity in economic activities and that data-sharing was crucial in addressing health-related impacts. However, much work remained to be done, to achieve equity in digital infrastructure and digital entrepreneurship and in building digital skills and capturing the value of data. The

pandemic had served to make digital divides between and within countries even more evident, meaning that many vulnerable actors in the digital economy had been left behind, including women and microenterprises and small and medium-sized enterprises.

8. Several delegates and representatives of regional groups shared experiences in crafting policies to advance digitalization while attempting to support the achievement of the Sustainable Development Goals, acknowledging that they continued to face significant challenges in terms of infrastructure, affordability, payment systems for e-commerce and digital skills. There were also risks related to privacy, security and the ownership and use of data, as well as to the dominance of a few global digital platforms. Many delegates and representatives of regional groups highlighted that developing countries, particularly the least developed countries, needed more support from the international community with regard to digitalization. Many other delegates and representatives of regional groups agreed that digitalization should also play a key role in building economic resilience and in recovery efforts.

9. The representatives of a few regional groups and one delegate noted that the war in Ukraine, along with generating human suffering, had destroyed connectivity infrastructure, disrupted data flows to and from the country and affected recovery prospects globally, and that these difficulties were compounded by disinformation and cybercrime. One delegate stated that there were more appropriate forums than the Intergovernmental Group of Experts to deal with this matter.

10. There was consensus on the need for international cooperation to ensure that digitalization contributed to the recovery and to build resilience and progress towards the achievement of the Sustainable Development Goals. Many delegates and representatives of regional groups stated that the Intergovernmental Group of Experts was a useful platform at which all countries could seek collaborative solutions, to fully leverage digital technologies for inclusive development outcomes. Such solutions included good practices at the national level and improved data and digital governance at the international level. International digital cooperation needed to take a multi-stakeholder and people-centric approach, with the aim of leaving no one behind. Several delegates and representatives of regional groups commended the analytical work of UNCTAD in addressing the complexities of e-commerce and the digital economy with regard to development, including in the background document for the session. Some delegates shared experiences in developing countries with regard to UNCTAD support in the form of eTrade Readiness Assessments, which had been helpful in digital transformation processes, although continued support was needed in the implementation of the recommendations. Many delegates requested UNCTAD to continue supporting developing countries, to ensure that they could engage in and benefit from e-commerce and the digital economy, through its three pillars of work and by boosting resources to increase the digital readiness of countries.

B. Recovering from COVID-19 in an increasingly digital economy: Implications for sustainable development

(Agenda item 3)

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

1. The role of digitalization during the pandemic

12. The panellist for the first discussion, Mr. Derrick Muneene, Unit Head, Digital Health Capacity-Building and Collaboration, Digital Health and Innovation Department, World Health Organization, addressed the first part of the first guiding question for the Intergovernmental Group of Experts, namely, what was the role of digitalization during the pandemic in countries at different levels of development? He addressed the important role that digitalization had played during the pandemic, with a focus on the health perspective. Digitalization had created an opportunity to mitigate the effects of the pandemic, helping to control the effects of the coronavirus and ensure the continuity of services, including health services. He stressed that digitalization needed to be implemented in an ecosystem that

allowed for international cooperation and inclusivity, ensuring that policy interventions could be scaled up and were sustainable, and that data was protected. This required whole-of-government and whole-of-society approaches. Important elements in such an ecosystem included leadership and governance; strategy and investment; services and applications; standards and interoperability; infrastructure; legislation, policy and compliance; and digital skills and literacy among the workforce. The World Health Organization was midway into the implementation of Global Strategy on Digital Health 2020–2025, with a vision to improve health for everyone everywhere by accelerating the development and adoption of appropriate digital health solutions to achieve the health-related Sustainable Development Goals. The strategy was based on four major objectives, namely, promoting global collaboration and advancing the transfer of knowledge on digital health; advancing the implementation of national digital health strategies; strengthening national, regional and global governance for digital health; and advocating people-centric health systems. In the context of the pandemic, opportunities for digital health interventions were seen in services delivery planning, vaccination status verification and counterfeit detection, community mobilization, logistics management, coverage monitoring, remote health worker learning and health services delivery. With regard to contact tracing, the pandemic had served to enhance the need to relearn a critical tool of disease control on an entirely new scale, with different countries introducing digital applications for this purpose. Artificial intelligence and machine learning had also become powerful tools with which to connect people and meet needs emerging due to the pandemic. Social media were also key, although there were concerns in connection with the infodemic. In this regard, the World Health Organization had increased its content provision, addressed misinformation and created new channels and tools, including by providing technical specifications and implementation guidance in developing various digital tools to address the impacts of the pandemic, for example with regard to COVID-19 certificates, which facilitated people's mobility. Moreover, the World Health Organization had adopted a building-block approach to digital health, in which interoperability was essential, including agreed standards for data-sharing and digital solutions that were fit for purpose. Legislation and compliance mechanisms were also critical, since the pandemic had served to prompt a review of data-sharing mechanisms, to facilitate contact tracing and epidemiological surveillance. Finally, the panellist stated that the main objective was to ensure that digital health transformation was safe and sustainable and left no one behind and no one offline.

13. In the ensuing discussion, several participants shared national experiences of how accelerated digitalization during the pandemic, including in data-sharing, had helped address the effects but also introduced challenges. Participants noted that the pandemic had served to provide momentum for expanding the deployment of digital health services and increasing the inclusivity of the digital economy and that protecting citizen data and establishing trust were crucial in ensuring the effectiveness of digital health solutions over time. One participant highlighted the importance of interoperability and flexibility, to account for differences between countries in digitalization levels, as well as of the use of open standards and open-source software. One delegate also highlighted that this accelerated process of digital transformation should serve as momentum to enhance the inclusivity of the global economy, including among microenterprises and small and medium-sized enterprises and women entrepreneurs.

2. Challenges in harnessing digital solutions to cope with the pandemic

14. Panellists for the second discussion, centred on the second guiding question for the Intergovernmental Group of Experts – what have been the challenges faced in harnessing digital solutions to cope with the pandemic? – comprised Ms. Sulyna Abdullah, Chief, Digital Knowledge Hub, International Telecommunication Union (ITU); Mr. Nick Srnicek, Lecturer in Digital Economy, King's College London; and Mr. Joseph Cannataci, former United Nations Special Rapporteur on the Right to Privacy.

15. The first panellist noted that the pandemic had served to highlight challenges in connection with the digital divide, although there had been some progress in connectivity. The mission of ITU was to meaningfully connect people to the Internet, such that they could fully participate in the digital economy. The panellist highlighted that, with 2.9 billion people still offline in 2022, the remaining digital divides were in different areas,

including gender-related divisions and divisions between generations and rural and urban settings. In 2020, ITU had set up a global network resiliency platform through which stakeholders could exchange information on challenges and measures taken to ensure connectivity. Challenges had been identified in three major areas. First, on the technical side, the divide between those with Internet access and those without had widened during the pandemic, as network providers were more likely to expand network capacity to those already connected rather than to invest in infrastructure to bring in new customers. Furthermore, there was an increased threat of cybercrime. Second, policy and regulation in the digital economy had required the consideration of many dimensions during the pandemic, including addressing a borderless digital environment. Policymakers had had to quickly help network operators, a task made more complex by a lack of data to monitor the status of the digital economy, in part driven by a lack of capacity to gather relevant statistics. In this regard, a whole-of-government approach was crucial. Third, affordability, a lack of skills and a lack of relevant content in local languages, as well as the gender-related digital divide, had been some of the barriers that had kept consumers from using the Internet. The panellist stated that the approach of ITU in addressing such challenges was based on the three pillars of access, adoption and value creation. To ensure improved accountability, ITU and the Office of the Secretary-General's Envoy on Technology had launched a new set of targets for achieving meaningful universal connectivity, which reflected the spirit and ambitions of the Sustainable Development Goals, *Report of the Secretary-General: Road Map for Digital Cooperation* and the Connect 2030 Agenda of ITU and contributed to the Global Digital Compact proposed in *Our Common Agenda*, the report of the Secretary-General.

16. The second panellist highlighted that the pandemic had served to strengthen the position of global digital platforms, as shown in their increased valuations, profits, market shares and numbers of employees. The growing dependency on these companies had fostered an increase in inequality. At the same time, China, the United States of America and the European Union had expanded regulatory actions towards large platforms, through antitrust investigations and new regulations. Such regulations were localized yet had a wider global impact as they were implemented in important markets and could set regulatory precedents. However, the panellist noted that existing and proposed regulations could do little to diminish existing market power and that regulation was not sufficiently focused on frontier areas of technological development, such as cloud computing and artificial intelligence. In response to a question from one participant, the panellist stated that large platforms were increasingly becoming public utilities. However, their increasing relevance needed to be accompanied by appropriate public accountability. Moreover, taxation, regulation and public sentiment could be used as tools with which to ensure that platforms acted in the interest of the public.

17. The third panellist discussed the privacy implications of health monitoring and contact tracing during the pandemic, drawing from the findings of a United Nations report on the right to privacy (A/76/220). Some key considerations noted in the report had been that not all information needed was available for a final assessment, the pandemic was not yet over, Governments were reluctant to release full data on the pandemic and some Governments might not be willing to share data near periods of elections. The analysis showed that there had been pandemic-led privacy infringements as emergency laws or treaties had allowed States to temporarily increase certain powers. The intertwining of health monitoring and surveillance made it impossible to assess whether all the measures taken had been necessary and proportionate. The panellist expressed criticism with regard to the compulsory use of contact tracing applications without the full disclosure of the sensitive data collected. In this regard, the panellist proposed recommendations to address privacy-related challenges by integrating human rights into the design, development and deployment of technological solutions needed in future pandemics, which should include integrating perspectives from civil society and marginalized groups. Privacy was also an enabling right for other human rights, such as freedom of expression and freedom of association, and should have been considered from the start in responses to the pandemic and provided by design and default. The panellist stressed that authorized uses of data should be minimized and defined so that data were not used for other purposes. Moreover, technology should be built with continuous data deletion options, for use once data were no

longer needed for particular health-related purposes. Finally, the panellist noted the need for independent oversight authorities to ensure the correct use of personal data, which were lacking in many countries, as well as for external reviews of national pandemic responses at the United Nations level.

18. In the ensuing discussion, several participants emphasized some of the national-level challenges faced in connection with harnessing digital solutions to respond to the pandemic, including time constraints in developing and rolling out digital solutions; heterogeneity in health-care systems across countries and at the subnational level; digital divides, including gender-related and rural and urban divides; the limited affordability of devices; gaps in skills, infrastructure and readiness to adopt digital solutions; and the need to ensure human rights and data protection standards. Solutions in these areas needed to regulate data collection and be transparent and interoperable. There was a need to achieve a more equitable distribution of the gains from digitalization. In response to queries from some participants as to how digital capacity could be built and how positive developments in the digital economy that had taken place during the pandemic could be sustained, the first panellist and a representative of the secretariat highlighted the need to strengthen work on measurement and collaboration with national statistical offices, to build an improved knowledge base for policymaking.

3. Lessons learned from policy responses to the pandemic

19. Panellists for the third discussion, centred on the third guiding question for the Intergovernmental Group of Experts – what are the lessons to be learned from policy responses? – comprised Mr. Henri Monceau, Director, Economic and Digital Francophonie, Organisation internationale de la Francophonie; and Mr. Adedeji Adeniran, Director, Education and Governance Research, Senior Research Fellow, Centre for the Study of the Economies of Africa, Nigeria.

20. The first panellist presented findings from a survey of 15,000 small and medium-sized enterprises across 54 Francophone countries. Countries with higher levels of Internet and mobile technology uptake prior to the pandemic had been able to institute stronger measures, including more restrictive lockdown periods and more extended closures of schools and workplaces. Businesses already using the Internet had required some time to adapt but had been more likely than others to be resilient, that is, to remain open, increase sales and even increase employment figures, in particular in developing countries. The panellist noted that open data and open-source tools and software were crucial in allowing more countries to undertake data analysis to benefit citizens. Particular challenges in Francophone countries included the relatively lower level of availability of French content online and the dominance of the Internet by certain, mainly Anglophone, actors; in this context, it was difficult for others to influence decision-making.

21. The second panellist highlighted that policy responses to the pandemic had been significant in boosting digitalization in Africa. Mobile technology had played an effective role in contact tracing in some countries, in targeting and providing financial support and in disseminating information in communities. However, the relatively low level of availability and uptake of Internet access and mobile technology use in many countries in Africa had constrained responses to the pandemic. Global e-commerce firms had seen significant increases in sales and profitability whereas this effect had been much less pronounced among e-commerce firms in Africa. The panellist stated that economic disruptions had caused consumers to focus spending on necessities but that local firms had been innovative in this area, for example by starting to facilitate online sales of perishable goods typically purchased at physical markets. Finally, the panellist highlighted the proposed continental data policy as having the potential to reduce costs, although a lack of buy-in from national Governments had limited the effectiveness of some continental digital infrastructure schemes.

22. Both panellists identified similar key lessons. First, responses to the pandemic had further entrenched the digital divide, as some countries had been able to accelerate digitalization but others had been left behind, particularly the least developed countries. Addressing the factors restricting digital transformation was therefore crucial, to enable resilience in future crises. Second, multidimensional approaches were needed to address

both supply-side issues, such as infrastructure availability and the price of connectivity, and demand-side issues, such as the level of digital skills and technological awareness, as well as regulatory settings. Third, rather than digital infrastructure being used to fuel value added for companies elsewhere, national and regional policies needed to foster independence and digital inclusion and to enable developing country citizens to capture a fair share of value added in the digital economy. Fourth, the private sector needed to play a greater role in driving the digital transformation in Africa, in partnership with the public sector. Fifth, trust was key, not only in institutions but also among parties to online transactions; in this regard, in Africa, fledgling digital identification schemes were part of the solution. The pandemic had served to illustrate the significant problems arising from online misinformation and the need to find ways to manage and mitigate this in future. Sixth, efforts needed to focus on sustaining and building upon the benefits gained for citizens and companies that had arisen during the pandemic.

23. In the ensuing discussion, participants shared national experiences and highlighted the importance of digital technology among responses to the pandemic, from contact tracing and online schooling to mitigation measures such as financial support. One clear lesson was the need to carefully balance swift responses with the maintenance of core values, such as privacy, to maximize buy-in and the impacts of policy actions. Another aspect to note was that countries with digital trade facilitation measures in place had experienced lower levels of supply-chain disruptions. Some participants described policy measures taken in response to the pandemic, including infrastructure-building and policies related to privacy, cybersecurity, digital skills and inclusion, as well as policies targeted towards accelerating access to e-commerce among small and medium-sized enterprises. The pandemic had served to highlight the importance of public policies and international support in ensuring that digitalization contributed to development. In concluding the discussion, the Chair stated that a point of no return had been reached in many countries, as Governments faced the task of building upon the great wave of digitalization arising during the pandemic.

4. Post-pandemic recovery and digitalization

24. Panellists for the fourth discussion, centred on the second part of the first guiding question for the Intergovernmental Group of Experts – what is the role of digitalization during recovery in countries at different levels of development? – comprised Mr. Aladdin Dolorito Rillo Senior Economic Adviser, Economic Research Institute for Association of Southeast Asian Nations (ASEAN) and East Asia; and Mr. Mauricio Agudelo, Senior Digital Economy Expert, Andean Development Corporation.

25. The first panellist shared perspectives from digital transformation and post-pandemic recovery in ASEAN economies. Digitalization had become a lifeline during the pandemic and the new opportunities offered by digital technologies needed to be captured, for a resilient recovery. Evidence showed that the pandemic had served to accelerate the pace of digitalization in economies in the region. Harnessing the digital economy had had positive spillover effects on the growth of the real economy in the region. Over the past decades, digitalization had been high on the regional economic agenda of ASEAN, to support the overall goal of regional integration and to accelerate structural transformation, and the pandemic had catalysed the need for digital transformation. ASEAN was implementing major initiatives to develop a robust digital economy, as well as a road map that highlighted key actions and identified immediate steps. The key enablers of digital transformation included enhancing digital connectivity and interoperability; harmonizing laws and strengthening regulations; promoting financial business ecosystems and trade; and developing digital talent, innovation and investment. The panellist stated that initiatives should not only support recovery from the pandemic but also ensure the region's long-term competitiveness. The most important initiative in ASEAN to move from recovery to transformation was *Bandar Seri Begawan Road Map: An ASEAN Digital Transformation Agenda to Accelerate ASEAN Economic Recovery and Digital Economy Integration*. Finally, the panellist underlined the importance of a coordinated, holistic approach at the regional level, to ensure the effective implementation of the relevant initiatives, and the need for a supportive regulatory environment at the national level to benefit from digital

transformation in the long term. Success would only be possible if the region was capable of addressing digital divides and overall inequality.

26. The second panellist presented the state of digital transformation in Latin America and the Caribbean, as well as challenges and opportunities with regard to recovery from the pandemic and sustainable development. Despite significant advances in recent years, the digital ecosystem of the region was at an intermediate level of development compared with that in other regions. The digital divide remained a key challenge. Developing and investing in digital infrastructure were critical in order to close the digital divide and better position the region in post-pandemic recovery. In addition, in order for the region to achieve green, sustainable and inclusive development, digitalization would play a major role. Digital tools and solutions had been used, for example, to improve smart and open governance, enhance human capital and enhance climate resilience. However, to accelerate digital transformation, greater efforts were needed in some areas, such as addressing digital connectivity divides and barriers; investing in digital infrastructure; providing skills training; investing in innovation and research and development; accelerating the digital transformation of productive processes, including among small and medium-sized enterprises and digital transformation in the Government and public services; tapping the potential of emerging technology; and building the circular economy through digitalization. It was also important for countries in Latin America and the Caribbean to advance together and ensure that no one was left behind following rapid digital transformation. The panellist stated that the digital sphere should be seen as a space for not only the exchange of goods and services but also for data protection. The transition towards a data economy needed to ensure that the region was not only in the position of a consumer but also benefited from harnessing the value of data.

27. In the ensuing discussion, several participants shared national experiences with regard to policy responses during the pandemic, as well as in stimulating post-pandemic recovery. Such measures related to regulatory reform, as well as enhancing ICT infrastructure, digitalizing public services and reskilling and upskilling through education. Several participants raised the issue of the twin goals of digitalization and green development being pursued by some countries and discussed the environmental impact of increasing digitalization. Efforts to leverage digitalization to achieve green and sustainable development had already started before the pandemic; the pandemic had served to reaffirm the necessity and urgency of these efforts, which could help countries mitigate the social and economic impacts of the pandemic and also make economies more sustainable, resilient and better prepared for potential challenges that might arise during future crises. Some participants emphasized that the rapidly increasing use of digital technologies required a coordinated and holistic policy approach at both the national and international levels. Inclusive, empowering and sustainable principles were crucial in shaping the global digital transformation during the post-pandemic recovery. Several participants noted that promoting inclusiveness, including gender-related inclusiveness, and commitments from international communities were essential in assisting developing countries to create an enabling environment to help bridge digital divides between and within countries.

5. The role of international cooperation on the way forward towards digitalization for sustainable development

28. Panellists for the fifth discussion, centred on the fourth guiding question for the Intergovernmental Group of Experts – moving forward, what is the role of international cooperation? – comprised Ms. Yu Ping Chan, Senior Programme Officer, Office of the Secretary-General's Envoy on Technology; Mr. Michael Pisa, Policy Fellow, Centre for Global Development, United States; and Ms. Eleanor Carey, Policy Analyst, Organisation for Economic Co-operation and Development (OECD).

29. The first panellist highlighted *Road Map for Digital Cooperation*, which provided recommendations on narrowing digital divides, providing trust and security and respecting human rights online. The work of the Office of the Secretary-General's Envoy on Technology addressed the main themes of the road map, including global connectivity, digital inclusion, capacity-building and digital public goods. Preparatory action, involving key United Nations entities, including UNCTAD, had begun on the Global Digital Compact

proposed in *Our Common Agenda*, the report of the Secretary-General. The Summit of the Future to be held in 2023 would bring together Governments, the private sector and civil society to help build a new understanding of “the digital future we want”. The United Nations Secretariat had played a role in preparing the ground for discussion on the Global Digital Compact by creating an open and inclusive space for feedback, inputs and views to be submitted, collected and consolidated, for consideration by Member States. In this process, discussions at sessions of the Intergovernmental Group of Experts on E-commerce and the Digital Economy had been significantly timely and important.

30. The second panellist discussed global uncertainties related to data protection laws and the role of international cooperation in global data governance, in the context of the concentration of the global data economy. He noted that the General Data Protection Regulation of the European Union had become a de facto global standard, with legislation in several countries outside the European Union based on the regulation. However, certain factors contributed to an uneven digital playing field, including the following: limited human and financial resources for implementing data protection regulations in low-income and middle-income countries; regulatory compliance costs that were more burdensome for small and medium-sized enterprises, reducing their ability to compete and entrenching the advantages of the largest companies; the challenge of achieving adequacy; and the lack of a common substantive definition of adequacy or a uniform process for establishing adequacy regimes. The panellist noted that Governments needed to increase resources to strengthen domestic data protection regimes. Moreover, global efforts were needed to promote a common transparent and flexible approach to establishing the legality of cross-border data flows, as well as to foster regional and international initiatives to harmonize data policies with input from low-income and middle-income countries. In response to queries from participants, the panellist suggested that the United Nations should play a major role in convening expertise and offering the universal representation needed to advance the development of global data governance.

31. The third panellist presented key messages from OECD *Development Cooperation Report 2021: Shaping a Just Digital Transformation*. Noting the increasing demand from developing countries for more complex support, the panellist highlighted success factors for developing countries in digital transformation, including the following: a whole-of-government approach with central leadership and political backing; partnering with the private sector; prioritizing the voices of those disadvantaged by digital transformation; and finding areas for quick gains relevant to local contexts. Global cooperation needed to address universal risks and include the sharing of norms and rules for governing digital technologies, while taking into account digital realities and allowing for meaningful representation. In particular, the multidimensional nature of digital transformation and links to development required a skill set beyond a technical knowledge of ICT, including in poverty reduction and macroeconomic planning. The panellist highlighted the role of OECD initiatives and research in serving the international system with regard to digital governance. Development cooperation would play a key role in achieving a just digital transformation for all, as well as in achieving recovery and enhancing resilience. Cooperation could also help to ensure that policies and partnerships powered an inclusive digital future, by supporting national and regional building blocks for sustainable digital ecosystems, as well as by making digital financing fit for purpose, with greater innovation and flexibility and at a greater scale. Digital policies and partnerships needed to commit to holistic digitalization strategies, develop digital literacy and skills, involve participation in synergistic alliances, promote safeguards and champion inclusive international dialogue. Supporting for digital building blocks included developing digital public goods, designing sustainable digital public infrastructure, closing usage gaps, incentivizing the design and use of socially responsible digital technologies and improving the evidence base. Moreover, resources for financing digitalization needed to be scaled up, particularly in a context of shrinking policy space. In response to queries from participants, the panellist noted that the OECD report offered various perspectives on how to engage private sector actors.

32. In the ensuing discussion, several participants noted the importance of cooperation and collaboration both between countries (at both the bilateral and multilateral levels) and within countries (e.g. between government bodies and with private sector and civil society actors). One participant noted that digital transformation was a key pillar for Indonesia

during its tenure of the presidency of the Group of 20 in 2022, with a focus on connectivity, digital skills and literacy and cross-border data flows and the free flow of data with trust; and underlined the importance of UNCTAD and other international forums in exchanging views and developing principles for better data governance. Some participants highlighted the importance of standards, particularly with regard to telecommunications and e-commerce (e.g. payments) and stressed the need for coordination efforts between standardization agencies. Several participants underlined the usefulness of establishing national mechanisms for rulemaking related to digital trade and for bringing together national public and private sector actors. Some participants requested UNCTAD and other institutions to facilitate further opportunities for dialogue between countries, to find common principles and objectives in order to maximize the gains from the digital economy and minimize the risks involved. Several participants requested increased international support for digitalization in developing countries.

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

(Agenda item 4)

33. The Chair of the second meeting of the Working Group on Measuring E-commerce and the Digital Economy presented the report of the second meeting (TD/B/EDE/5/3). The meeting had discussed the following three topics agreed on by the Intergovernmental Group of Experts: progress in measuring e-commerce and digital economy work by relevant international organizations; next steps in the implementation of the revised UNCTAD *Manual for the Production of Statistics on the Digital Economy 2020*; and the use of non-survey sources of data to supplement the traditional measurement of e-commerce and the digital economy. During the meeting, the working group had highlighted the increased importance and urgency of the need for digital economy statistics in order to assess the impact of the pandemic and to inform policies aimed at leveraging the digital economy for post-pandemic recovery, building resilience and accelerating progress towards achieving the Sustainable Development Goals. In addition, the working group had discussed the latest work in the measurement of e-commerce and the digital economy by various international organizations, progress in capacity-building and experiences in the use of non-survey sources of data for such measurement. Early analysis of positive impacts on e-commerce during the pandemic belied significant disparities between companies, countries and regions with regard to the digital economy. Moreover, the working group had concluded that developing countries needed continuous capacity-building, not only for the traditional production of official statistics but also in order to develop methods for tapping into alternative data sources. Experts at the meeting had noted that timelines for the validation and processing of official statistics based on surveys and administrative records had been put under pressure by the need for rapid responses to the pandemic in the form of demographic and health-related data and digitalization. In this context, the discussions had focused on how digitalization was fundamentally changing survey methods for business statistics, including with regard to e-commerce and the digital economy; the Chair provided an example in this regard from the Federal Statistical Office of Switzerland. The Chair welcomed the continued progress on measurement work at UNCTAD and in collaboration with other international organizations, including publication of the revised *Manual for the Production of Statistics on the Digital Economy 2020* and ongoing translation of the manual and related training material. He noted that the Intergovernmental Group of Experts could consider encouraging development partners to provide funding for training and translating more knowledge resources into different languages and to provide other types of technical assistance, in measuring the digital economy, to national statistical offices in developing countries. The Chair, on behalf of the working group, stated that the sharing of knowledge with regard to the measurement of the digital economy was vital in the current, fast-evolving period and that the experts looked forward to continued meetings that allowed for such exchanges. The working group was a valuable forum at which to provide technical guidance to help build the capacity of countries to leverage the evolving digital economy.

34. The experts welcomed the work of UNCTAD and the working group and agreed on the proposed topics for its third meeting (see chapter I). During the ensuing discussion, in response to a question from one participant as to whether the working group had agreed on

a way to measure e-commerce, the secretariat stated that such measurement remained a work in progress and that some guidance was available in the *Manual for the Production of Statistics on the Digital Economy 2020*. One of the objectives of the working group was to share the experiences of national, international and academic stakeholders in measuring e-commerce and enabling environments, with a view to achieving working statistical definitions and standards and agreeing on guidance in order to steadily improve the accuracy and availability of official statistics on e-commerce, along with international comparability. Another participant noted that multilateral cooperation should facilitate data-sharing for research and statistical purposes in order for policymakers and other stakeholders to obtain more comprehensive and accurate pictures when promoting policies for making digital transformations more meaningful, inclusive and impactful with regard to sustainable development.

III. Organizational matters

A. Election of officers

(Agenda item 1)

35. At its opening plenary meeting, on 27 April 2022, the Intergovernmental Group of Experts on E-commerce and the Digital Economy elected Mr. Febrian Ruddyard (Indonesia) as its Chair and Mr. Mathias Francke (Chile) as its Vice-Chair-cum-Rapporteur.

B. Adoption of the agenda and organization of work

(Agenda item 2)

36. Also at its opening plenary meeting, the Intergovernmental Group of Experts adopted the provisional agenda, as contained in document TD/B/EDE/5/1. The agenda was thus as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Recovering from COVID-19 in an increasingly digital economy: Implications for sustainable development
4. Working Group on Measuring E-commerce and the Digital Economy
5. Provisional agenda of the sixth 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)

37. At its closing plenary meeting, on 29 April 2022, 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 fifth session after the conclusion of the session.

Annex

Attendance*

1. Representatives of the following members of the Trade and Development Board attended the session:

Albania	Mexico
Algeria	Morocco
Argentina	Mozambique
Australia	Namibia
Azerbaijan	Nepal
Bahrain	Netherlands
Bangladesh	Niger
Barbados	Nigeria
Benin	Oman
Bolivia (Plurinational State of)	Pakistan
Bulgaria	Panama
Burkina Faso	Peru
Cambodia	Philippines
Canada	Portugal
Chile	Republic of Korea
China	Romania
Congo	Russian Federation
Costa Rica	Saudi Arabia
Czechia	Senegal
Djibouti	Singapore
Dominican Republic	Spain
Ecuador	Sri Lanka
Egypt	Switzerland
Estonia	Thailand
Gabon	Togo
Gambia	Trinidad and Tobago
Germany	Tunisia
Guatemala	Türkiye
India	Uganda
Indonesia	Ukraine
Iran (Islamic Republic of)	United Arab Emirates
Iraq	United Kingdom of Great Britain and Northern Ireland
Italy	United Republic of Tanzania
Jamaica	Uruguay
Japan	Venezuela (Bolivarian Republic of)
Jordan	Viet Nam
Kazakhstan	Yemen
Kenya	Zambia
Lebanon	
Luxembourg	
Malaysia	
Mauritius	

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

African Union
Andean Development Corporation
Asian-African Legal Consultative Organization
European Union

* This attendance list contains registered participants. For the list of participants, see TD/B/EDE/5/INF.1.

Islamic Development Bank
Organisation for Economic Co-operation and Development
Organisation internationale de la francophonie

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

International Telecommunication Union
Office of the Office of the Secretary-General's Envoy on Technology
United Nations Capital Development Fund
World Bank Group
World Health Organization
World Trade Organization

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

General category

Consumer Unity and Trust Society International
Global Express Association
Village Suisse ONG
