



15 years of the regional dialogue on digital technologies

eLAC2020

“WSIS UN Regional Commissions Meeting Round Table”

WSIS Forum

September 9, 2020



UNITED NATIONS

ECLAC

About the Ministerial meeting

- The sixth Ministerial Conference on the Information Society in Latin America and the Caribbean was held in Cartagena de Indias, Colombia, from 18 to 20 April 2018 and was convened by ECLAC and the Government of Colombia.
- 23 member States from LAC attended the conference (17 from Latin America, 6 from the Caribbean).
- Debate sessions on:
 - Digital agendas
 - Digital economy and innovation
 - Emerging technologies
 - Culture, inclusion and digital skills
 - Regional digital market
 - Regulatory challenges
 - Measurement of the digital economy

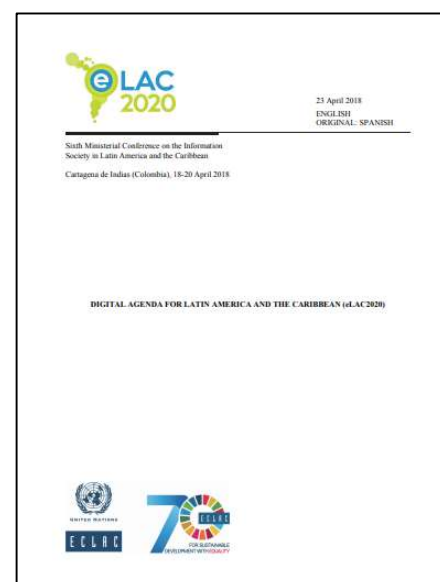


Cartagena de Indias Declaration

Foster the regional digital market

“Recalling further that the development of a regional digital market could generate opportunities for innovation, jobs and growth, while stimulating investment, productivity and competitiveness....

Recognizing further the importance of promoting a regional digital market strategy to benefit Latin American and Caribbean digital integration and expand the digital economy, drawing on the cultural and linguistic similarities in the region”





Third generation of digital agendas

Second generation of digital agendas

First generation of digital agendas



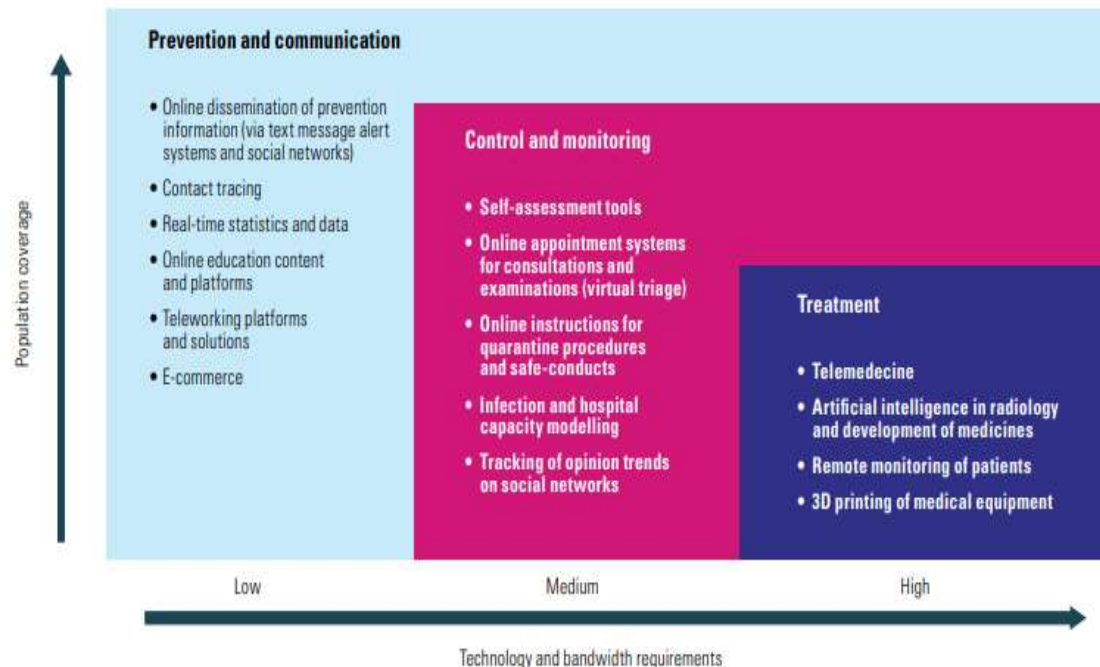
- From the Internet of consumption to the Internet of production
- Regional Digital Market (MDR)
- Digital Platforms
- Digital transformation (IoT, Blockchain, AI, Big data)
- Digital economy measurement

- Digital inclusion (ICT appropriation)
- New gap: access to broadband and devices (smartphones, tablets). Regional connectivity.
- ICT statistics: access and use in businesses and governments

- The regional dimension of WSIS and the MDGs
- ICT as a new technological paradigm for the region
- Basic indicators of ICT access and use (by individuals and households)
- External and internal digital gap of access and use (mobile phone, internet, PC)

COVID-19 Special report, universalizing access to digital technologies

Diagram 1 | Latin America (16 countries): areas in which digital solutions are being used to address the COVID-19 pandemic, 2020



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

Digital technologies and COVID-19

Virus containment measures: quarantine - social distancing

Digital solutions: reduce the impact of containment measures

Distance
learning

E-health

Telework

E-commerce

E-government

Structural limitations

Access and connectivity
fragmented by income
levels

Insufficient network
speed

Gap in development of
digital skills

Weak digitization of
production processes

Deepening inequalities and vulnerabilities

Only 67% of the inhabitants and 60% of the households in the region use the internet



1/3 of the population makes limited or no Internet use due to their economic condition



Mobile broadband penetration 70%, fixed broadband 14%



33% of urban households are not connected



77% of rural households are not connected



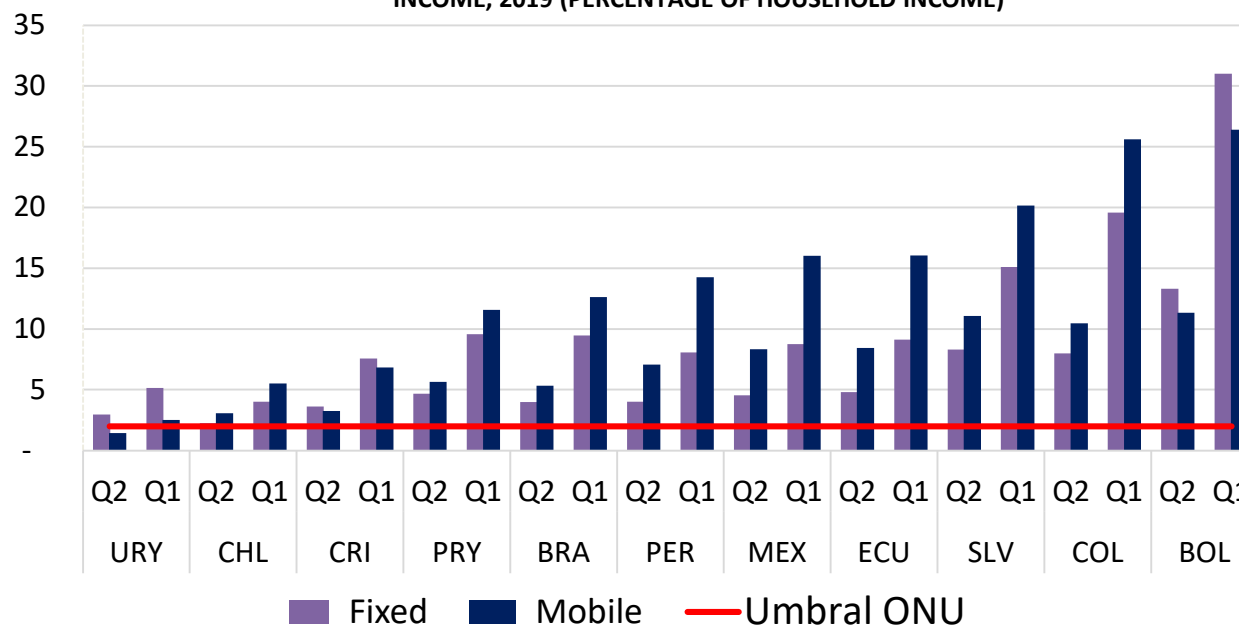
42% of those under 25 and 54% of those over 66 have no connection

Source: ECLAC Regional Broadband Observatory (ORBA) based on household surveys from the Household Survey Data Bank (BADEHOG).

Low affordability consolidates the exclusion of lower-income households

- **Fixed and mobile broadband service for the first quintile costs 14% and 12% of their income**
- About 6 times the reference threshold of 2% of income recommended by the United Nations Broadband Commission

LATIN AMERICA COUNTRIES: FIXED AND MOBILE INTERNET AFFORDABILITY BY QUINTILE OF INCOME, 2019 (PERCENTAGE OF HOUSEHOLD INCOME)



Source: ECLAC Regional Broadband Observatory (ORBA) based on household surveys from the Household Survey Data Bank (BADEHOG).

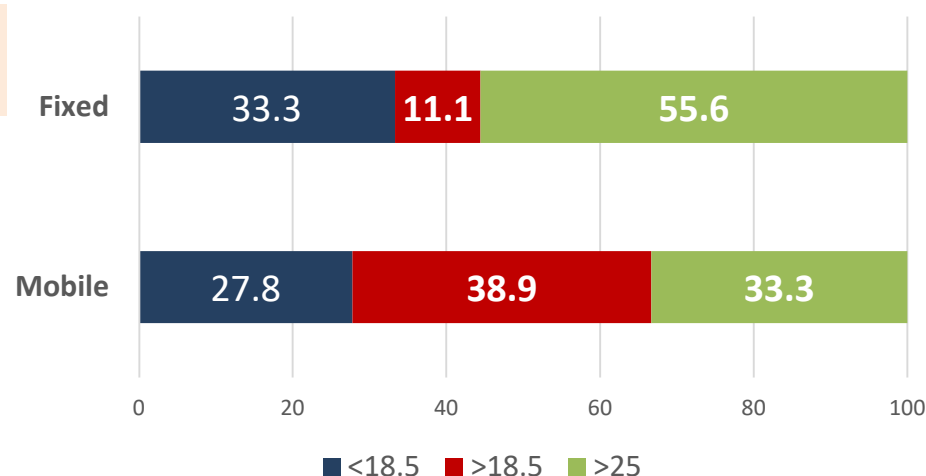
2/3 of the countries do not meet the download speed requirements necessary to develop digital solutions

FUNCTIONALITY BASED ON BROADBAND DOWNLOAD SPEED

Low 5,5 Mbps	Medium 18,5 Mbps	High More than 25 Mbps
Allows the use of functions such as email, basic video and direct audio streaming	Allows two basic functions and one high-demand application to run simultaneously	Allows basic functions and more than one high-demand application to run simultaneously
Does not allow teleworking	Allows teleworking and distance learning, non-simultaneously	Allows teleworking and distance learning, simultaneously
Does not allow distance learning		

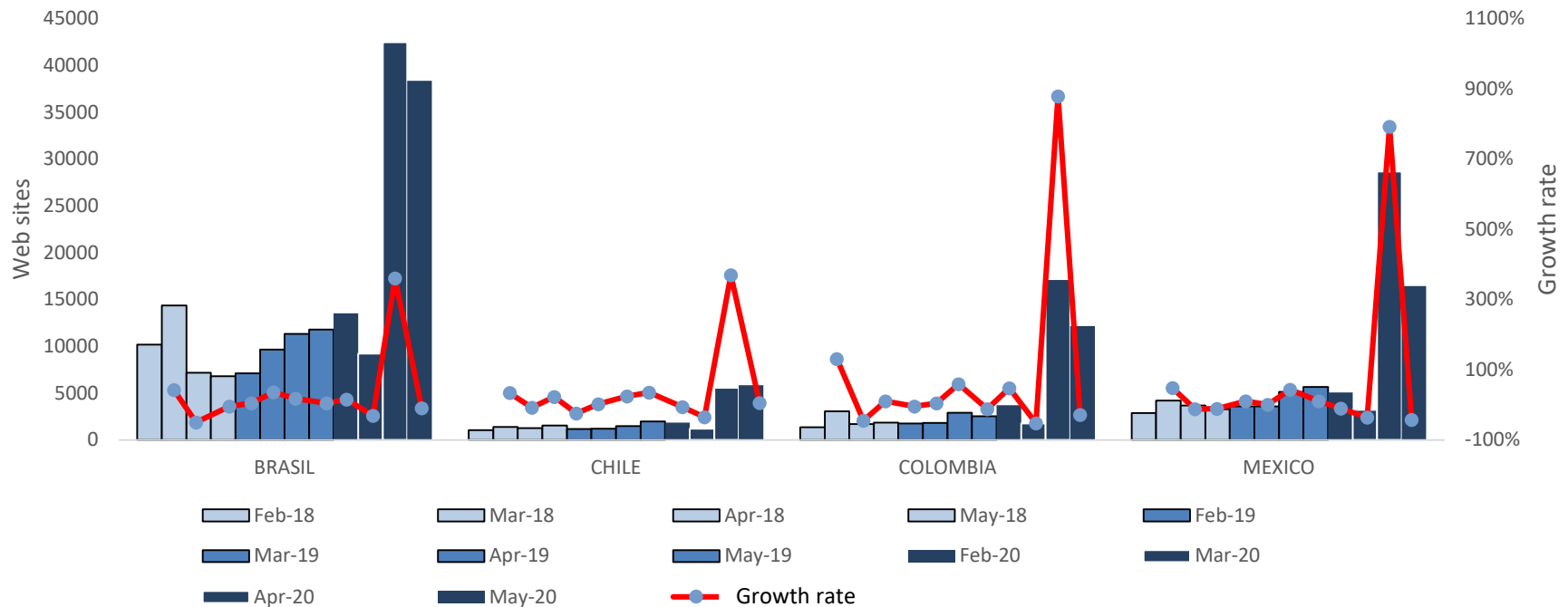
Mobile broadband penetration 70%, fixed broadband 14%

LATIN AMERICA AND THE CARIBBEAN (18 COUNTRIES): PERCENTAGE OF COUNTRIES ACCORDING TO AVERAGE DOWNLOAD SPEEDS MOBILE AND FIXED BROADBAND JUNE 2020 (IN PERCENTAGES)



Source: ECLAC Regional Broadband Observatory (ORBA) based on Ookla Speedtest Global Index (<http://www.speedtest.net/global-index>)

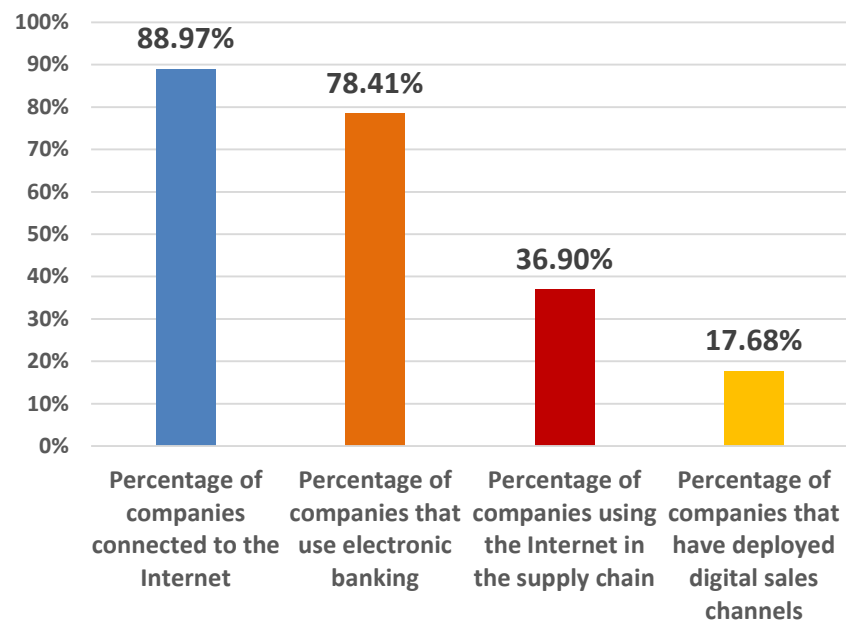
E-commerce has become essential



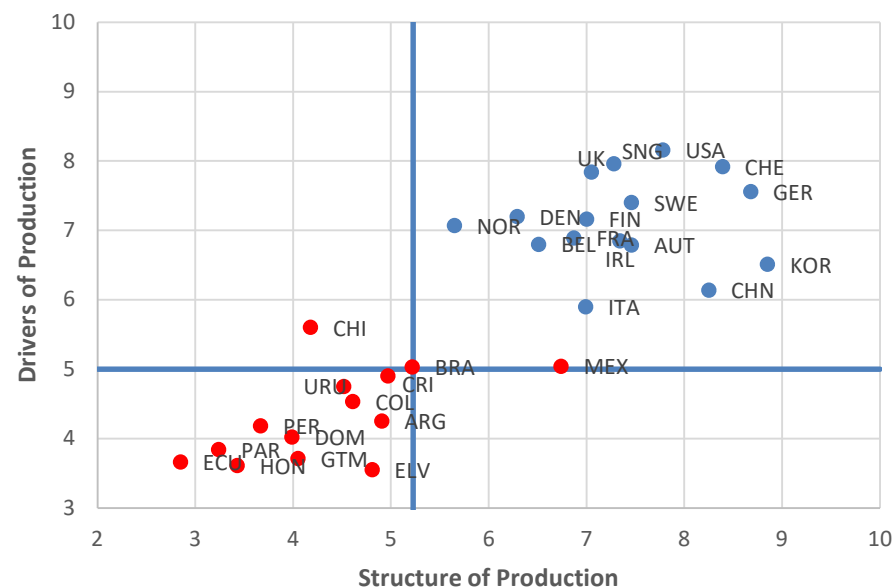
- In Brazil and Mexico, the number of new e-commerce sites increased by more than 450% in April 2020 compared to the same month in 2019. Meanwhile, the number of active presence websites in Colombia and Mexico increased by nearly 500% in the same period

But it is necessary to go beyond and move towards the digitization of production

BRAZIL, CHILE, COLOMBIA: DIGITALIZATION OF PRODUCTIVE PROCESSES, 2018



PREPARING FOR THE FUTURE OF THE PRODUCTION



Source: ECLAC based 2020

The development and adoption of digital solutions accelerates due to COVID-19 but conditioned by structural factors

Digitization of production

- Technological adoption conditioned by the business heterogeneity.
- **Lack of digital skills.**
- Dominant position of large digital companies in the platform economy could translate into abuse of market power in several sectors.
- Greater markets need to promote economies of scale.

Telework

- Limited by the productive structure and informality.
- **Less than 21% of formal employees can work from home.**
- Greater impact on women: unfair gender divide of labor and excessive unpaid care and domestic workload.
- A third of the countries have sanctioned regulatory frameworks.

eLearning

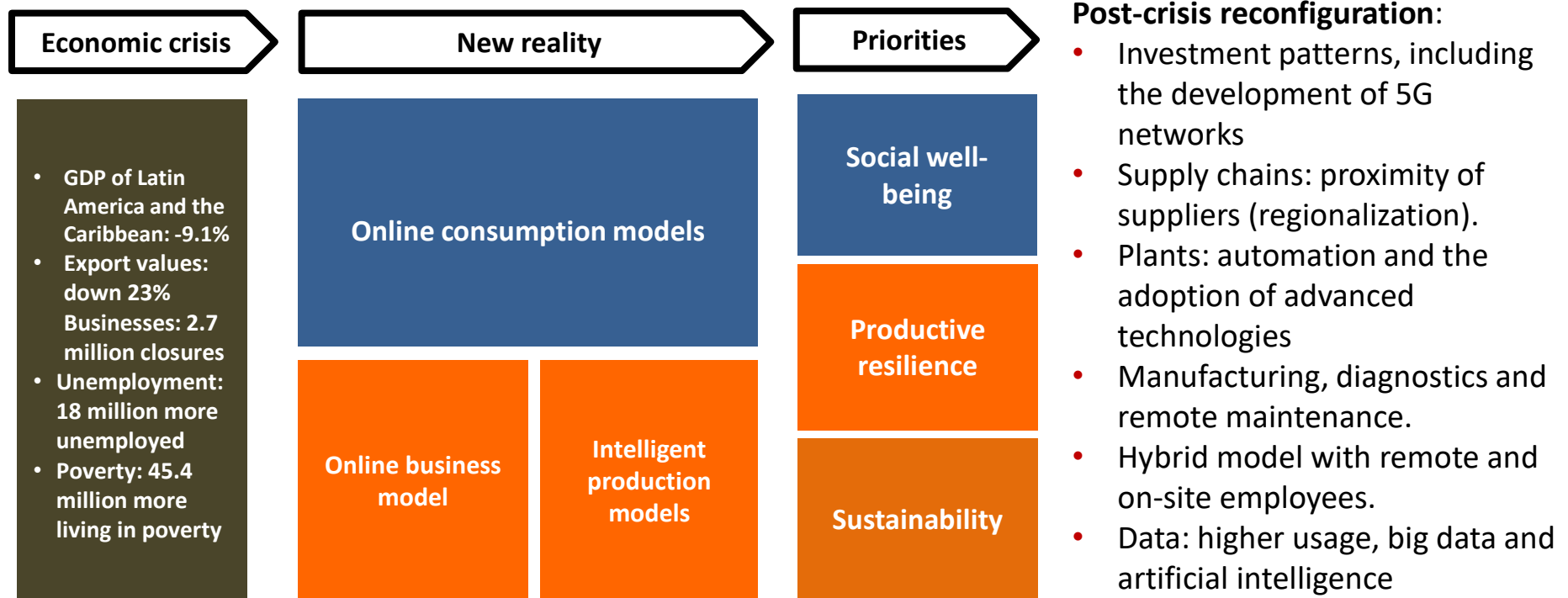
- Difficult due to lack of access to equipment and connection.
- **Fewer than 40% of children live in a connected home.**
- Overcrowding impairs the quality of distance education.
- 43% of public primary schools use the Internet for pedagogical purposes
- Digital solutions are concentrated at the university level.

eHealth

- Difficulty of cost, reimbursement process, legal liability and privacy
- Health systems fragmented by income levels.
- **Less than half of the population affiliated to social protection.**
- Delay in regulatory frameworks

Facilitate the incorporation and use of new technologies to overcome the crisis

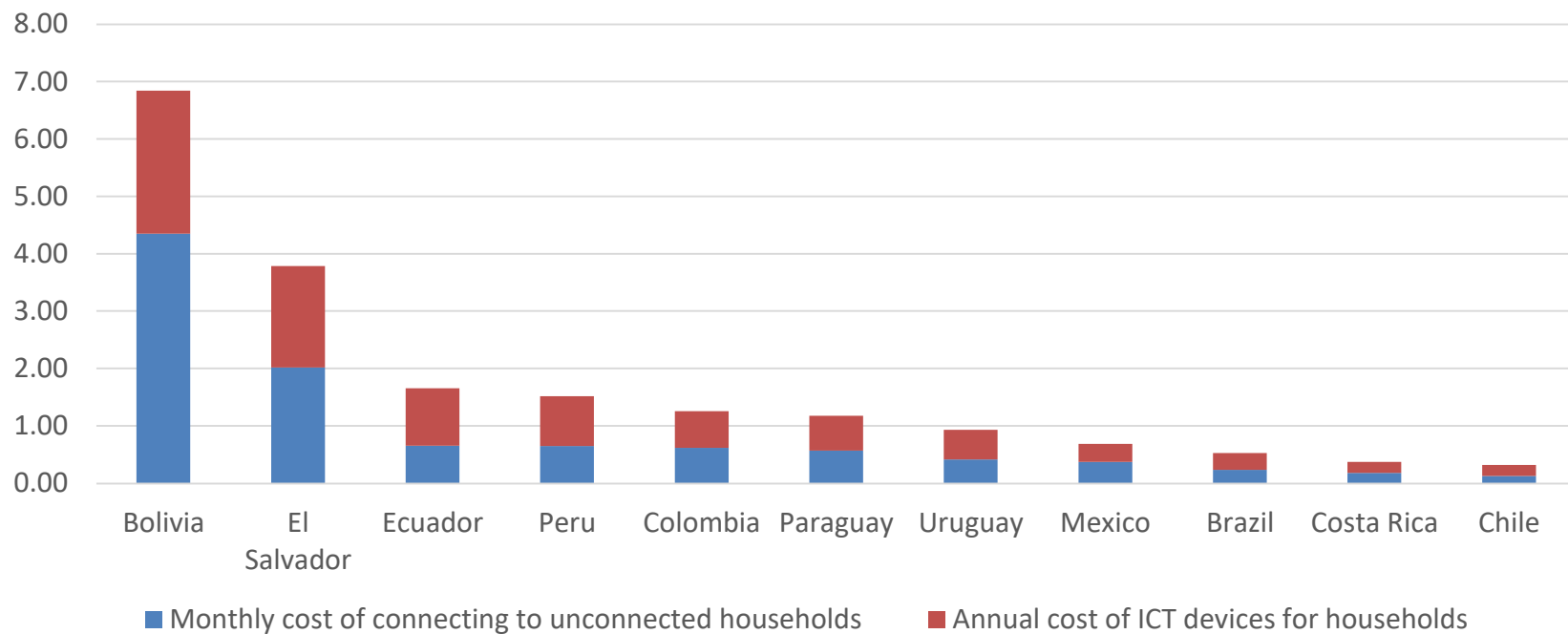
THE ROLE OF TECHNOLOGIES IN THE REACTIVATION



Source: ECLAC, 2020

ECLAC proposes to invest 1% of GDP in a **basic digital basket** to guarantee access

Cost to close the access gap in LAC



Source: ECLAC Regional Broadband Observatory (ORBA) based on household surveys from the Household Survey Data Bank (BADEHOG), on the information collected on the web pages of Internet providers and the World Bank.

5 lines of action

1. **Universalize access for an inclusive digital society:** expand fixed broadband coverage and mobile broadband connection to close the access gap
2. **Promote productive transformation:** promote the use of digital technologies in SMEs; digitization of supply chains; innovation and strengthening of the digital ecosystem
3. **Promote trust and digital security:** regulatory frameworks with rules for the use of data by companies and governments, privacy and cybersecurity
4. **Strengthen regional digital cooperation (eLAC):** digital infrastructures, 5G networks, universal access to broadband, competition policies, digital regulation and taxes, Regional Digital Market, and spaces for subregional cooperation
5. **A new governance model for a 'Digital welfare state'** with equality, economic, social and labor rights, safe use and privacy of data, for progressive structural change

A decorative graphic in the top left corner of the blue banner, consisting of overlapping yellow and light blue semi-circles with small white dots.

Thank you