Digital Development in East Asia & Pacific
World Bank Engagement

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The Digital Economy in Southeast Asia: Strengthening the Foundations for Future Growth

Growing the Digital Economy
(Including digital entrepreneurs; e-commerce; FinTech; ICT sector; digital transformation of industries)

Digital economy foundations
- Universal access to affordable, high-speed broadband
- Skills
- Payment
- Logistics
- Digital policy, regulation and digital ID

Supportive macroeconomic and business climate
(Including stable macroeconomic situation, tax policy, trade openness, competition policy)
Key enabling factors for digital economy development

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tbody>
<tr>
<td>Connectivity</td>
<td>• Affordable broadband internet access is a prerequisite and a physical underpinning to the digital economy</td>
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<td>Payments</td>
<td>• Access to safe and secure digital payment services provide the opportunity to engage in electronic transactions either as consumers or entrepreneurs, domestically or overseas</td>
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<td>Digital skills</td>
<td>• In a digitally-driven economy, skills needs range from basic digital and data literacy, to specialized skills to harness the productivity benefits of digital innovation.</td>
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<td>Logistics</td>
<td>• The expansion of the digital economy highlights the importance of a developed and cost-effective logistics sector given the higher demand for delivery of goods, especially at low values, both within and across borders.</td>
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<td>Digital policy and regulation</td>
<td>• Cross cutting policies and regulations shape the digital economy, including: those which relate to cross-border data flows, data privacy, cybersecurity, consumer protection, electronic transactions and e-commerce laws and taxation.</td>
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The rise of digital platforms, including for government
How digital is your government?

**Digital Government Readiness Assessment Tool:**
- Leadership and Organization
- User Focus
- Business Process Change
- Data driven approaches
- Data ecosystem and analytics
- Shared Infrastructure
- Capabilities, culture and skills
- Cybersecurity, privacy and resilience

Source: World Bank
Digital Identity: facilitating digital economy and digital government services delivery

Financial inclusion
- Removing KYC barriers
- Payments interoperability
- Better credit reporting

Digital economy
- Doing transactions online
- Trusted cross-border e-commerce

Social protection
- Better targeting
- Eliminating leakages
- Linking databases

Healthcare
- UHC registry
- Unique patient IDs

Education
- Improving EMIS
- Increasing accessibility

Migration
- Using the ID to travel
- Streamlining visas

Digital identity system
Digital Development Support in East Asia & Pacific

**Foundational**
- Digital economy enabling environment (Indonesia, Malaysia, Philippines, Cambodia, Lao PDR, Pacific, Myanmar)
- Digital ID strategy, implementation, use cases (Philippines, Indonesia, Pacific)
- Digital government platforms (Indonesia, Philippines, Vietnam, Cambodia, Pacific, Mongolia, Myanmar)

**Sectoral**
- Transport: intelligent transport systems, data analytics
- Logistics and trade facilitation
- Health services delivery
- Public sector reform
- Agricultural extension
- Skills development
- Financial services

Connect  Harness  Protect  Innovate
Pacific Digital Transformation

Pacific Regional Connectivity Program

- **Tonga-Fiji Connectivity Project**: IDA US$17.2m (approved 2012), cofinanced with ADB, Australia, TCC - *Ready for Service*
- **Palau-FSM Connectivity Project**: IDA US$47.5 million (appr. 2014), cofinanced with ADB - *Ready for Service*
- **Samoa Connectivity Project**: IDA US$16.0m (appr. 2015), cofinanced with ADB, DFAT, private sector - *Ready for Service*
- **Fiji Connectivity Project**: IBRD US$6.8m (appr. 2016) - *Ready for Service*
- **Kiribati Connectivity Project**: IDA US$20m (approved May 2017) cofinanced with ADB
- Additional financing for **Kosrae** (FSM) (approved in May 2017)
- **Tuvalu Connectivity Project** US$29m (approved December 2018)

Pacific Digital Transformation Program

- Regionwide analytical and advisory program on Digital Economy and Digital Economy (2019-2021)
- Regionwide engagement on Digital ID
- Investments in Digital Government Foundations
  - Tonga: Digital Government Support Project (US$4.5m approved May 2019)
  - Samoa: additional component for Digital ID and Digital Govt Platform (US$4.5m – approved August 2019)
  - Planned: FSM, Marshall Islands
  - Prospective: Kiribati, Solomon Islands, Vanuatu
Digital Development

The World Bank provides knowledge and financing to help close the global digital divide, and make sure countries can take full advantage of the ongoing Digital Development revolution.

Thank you!

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