

Digital Economy and the Implementation of the 2030 Agenda for Sustainable Development

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In the process of the transformation of the global economy towards digitalization, developing countries, especially the least developed countries, should not be left behind. So, what is and what will be the impact of the digital economy on the sustainable development goals?

Economic development, a cornerstone of the achievement of Agenda 2030, may well be deeply facilitated by the developing world's burgeoning technology sector, particularly small and medium sized enterprises engaging the in the platform economy and digital trade. Indeed, the digitization of services, including via smart contract and the blockchain, equally offers opportunity for improved access and participation in the global (digital) economy by underprivileged populations.

The Digital Economy and Sustainable Development Goals

The 17 SDGs established the roadmap for poverty alleviation, economic growth, environmental sustainability, peace and justice, among other goals. In order to achieve these benchmarks, we need to be innovative, creative, and adaptive to changing contexts and global environments. Technology, specifically ICT, will be essential in this regard; leveraging the Fourth Industrial Revolution as one of two means of implementation for achieving the SDGs. For nearly every goal, technology and the digital economy can affect positive progress if leveraged appropriately. For the developing countries that are furthest behind, SDG 1 on no poverty and SDG 5 on gender equality are most pressing. If a country needs a framework for initiatives to boost the digital economy, the one that should be used is the SDG framework, the guiding principle of which is to leave no one behind. Indeed, the digital economy is cross-cutting, existing as a potent economic and development tool that can be harnessed for the achievement of the SDGs, without specific emphasis on one goal over another.

In specifically looking at SDG 1 on no poverty, according to economic analysis, the digitization of economic processes, activities, and value could bring as much as a \$4.1 trillion USD increase in GDP among developing countries, using the opportunity of technological leapfrogging to engage quickly and effectively with the digital economy. The use of digital economy for achievement of SDG 1 will require catalyzing connectivity, enabling digital workforces through training and education, and increasing accessibility of digital financial services. Historically, the world's poor have been trapped in a poverty cycle that perpetuates itself through a lack of access to financial services and a determined disinterest on the part of business to provide their services to this population. Provided that the challenges of the digital divide can continue to be broached, the digital economy holds the promise of reducing costs of financial intermediation, providing payment services for cashless economies, and offering access to loans and equity for those whom have never been afforded this before.

Means of implementation of the SDGs are largely collected under SDG 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development. The most important are the targets and indicators related to technology. Target 17.6 is "Enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism".

The Importance of South-South Cooperation in Capturing Digital Opportunities to Promote the Sustainable Development Goals

South-South cooperation is not only finance – it is also literally cooperation in terms of digital technology and the digital economy, which can contribute to promoting the realization of the SDGs. Indeed, there is substantive evidence indicating that South-South cooperation has immense potential to accelerate the progress of countries in achieving all 17 SDGs, especially

through knowledge-sharing platforms that encourage mutual learning such as the Technology Bank for the Least Developed Countries.

Regarding UN agencies, South-South cooperation is particularly regarded as a core strategic approach to achieving and implemented the Agenda 2030. The UN places particular emphasis on the facilitation of policy dialogues, which has worked to institutionalize South-South cooperation, “by exploring new directions, concepts and potential partnerships, and by informing the development of coherent policies.” Other activities pursued by the United Nations in regard to South-South cooperation have included the development by the United Nations Institute for Training and Research of an online tool for business and governments to improve public-private partnerships particularly in the global South. The Sustainable Development Goals Fund has also embarked on the monitoring, evaluation and learning of South-South cooperation of programmes in several South Pacific island nations, confirming that these efforts have strengthened learning and technical capacities in participating states.

The question is how to strengthen South-South cooperation in the digital world in an inclusive way – to benefit the greatest number of countries and people without excluding anyone – with the SDGs in mind. The question we wrestle today is to how to strengthen South-South cooperation in digital technology and digital economy in the digital world and promote the realization of the SDGs. In parallel with the digital economy’s potential impact on the SDGs, digital opportunities in South-South cooperation can promote the SDGs. Given the SDG targets and indicators mentioned above, key digital opportunities are: “South-South cooperation on and access to science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism” needs to start with common terminology and a global mechanism, perhaps this would be most effective as a regional objective as well. Regarding the associated indicator, “Fixed Internet broadband subscriptions per 100 inhabitants, by speed”, it is a good metric, but leapfrogging is only possible with mobile phone subscriptions; and “Enhance international support for implementing effective and

targeted capacity-building in developing countries to support national plans to implement all the SDGs, including through South-South cooperation". The digital opportunities in terms of capacity building for SDG implementation are those that connect stakeholders and foster partnerships, with government, the private sector, and civil society including philanthropic foundations.

Looking Forward and Harnessing Potential Contributions of the Digital Economy

Going forward, the digital economy is potentially the largest and most important opportunity for dynamic change in sustainable development worldwide. Particularly for the Global South, it creates the tools for achieving the SDGs, but the aforementioned risks must be acknowledged and addressed effectively by governments, private sector partners, international organisations, normative leaders, and the general public, whether that be through unified national strategies, multilateral frameworks on digital economy, support for small and medium sized enterprise, or harnessing the benefits of digital commoditisation.

In terms of promoting the SDGs, can the Digital Society promote cooperation between countries in the global South? Perhaps what is most important is having people learn what is at stake and changing perceptions from zero-sum to positive sum games. The narrative is that we live on one planet and each country is affected by changes in other countries, though cooperation should lead to improved outcomes. Theoretical ideas include 'the commons' and IR literature on cooperation, but we are entering a new period where environmental outcomes are taking centre stage and perhaps must be emphasized through individual's own eyes. That includes accessing the internet to gain information to sharing experiences and ideas on social media to actually travelling to other places to gain appreciation. Money and physical presence are no longer holding people back to gain new experiences, though the poorest of the poor have obstacles that must be the priorities of governments. Mobile phones and internet access, while only the first steps to digital, are needed. The objective should be to move from an information society to a knowledge economy.