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ante las Naciones Unidas



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Concept Paper

Side Event of the ECOSOC Forum on Financing for Development follow-up
(FfD Forum) 2024:

Seizing Innovative Financing Opportunities for Digital Connectivity and Capacity Building

Co-sponsored by Mexico - Indonesia - Republic of Korea - Türkiye - Australia -
World Bank Group - Microsoft - UNCTAD

Background

Of all technologies, digital has been synonymous with innovation and transformation of our economies and societies. Even during the pandemic, the digital sector was proven to be resilient and became a new source of growth amidst economic contraction. Digitalization holds the potential of shaping a more inclusive, resilient, and sustainable world, bringing acceleration across all 17 Sustainable Development Goals (SDGs). The presence of fast internet is reported to increase the probability of an individual obtaining employment up to 13.2 percent, total employment per firm increases by up to 22 percent, and firm exports nearly quadruple. 3G coverage in Africa is linked to extreme poverty reduction of 10 percent in Senegal and 4.3 percent in Nigeria. Digital technologies can reduce greenhouse gas emissions by up to 20 percent by 2050 in three highest emitting sectors of energy, materials, and mobility¹.

Despite its positive contributions, the world is still confronted with challenges as one third of world's population is still offline. The lack of financial resources has been one of the largest barriers for developing countries to invest in building digital capacity, services and related infrastructures. In a time where digital transformation is growing exponentially, there is an urgent need to invest in the integration of digital in economies and societies for SDGs, closing the digital divide and catalyzing digital transformation, as well as empowering people to have meaningful participation in digital economy and countering digital risks and harms at the same time.

¹ World Bank Group Digital Progress and Trends Report 2023

With global situation of tightening global financial constraints, geopolitical tensions, and distrust among divided nations, mobilizing investments and financing for development will require a strategic and innovative approach. Investing in digital sector could prove to be catalytical not only to help countries achieve the SDGs, but also to address the efficiency needed amid limited financial resources as digital technologies can impact all action areas of the Addis Ababa Action Agenda.

Furthermore, digital sectors have been known for innovative investments through seed funds, venture capital funds and crowdfunding. With 70% of new value created over the coming decade will be based on digitally-enabled platform business models, there is a large opportunity to build sound development projects that would be attractive for non-governmental entities, particularly private sectors, through blended finance.

Objectives

The side event serves as an open dialogue platform to discuss the possibilities of pooling funding and investment from donor countries, multilateral development banks, private sectors, and other stakeholders, including by strengthening the role of MDBs. In so doing, this initiative is particularly aimed to achieve universal connectivity and affordable access to the Internet, promote the development and use of information and communications technology and infrastructure, including capacity-building, sharing expertise for finding a more sustainable business model, as well as accelerate technology transfer to developing countries in order to expand more choices of technologies which finally supports a more manageable business activities.

Such possibilities may include establishing a new dedicated financing platform/facility which can use its grants, blended financing, and policy support to assist developing countries in addressing their biggest challenges to close the digital divide as well as contributing towards safe and equitable digital environment.

Time : 22 April 2024, 13:15 - 14:30 EDT
Location : Trusteeship Council Chamber, UNHQ
Modality : Hybrid/in-person

Format:

The side event will consist of opening session, panel presentation featuring speakers from MDB, private sector and philanthropist organization, followed by statements by participants and closing session.

Panelists will be invited to address the following questions:

- What is the trend of the current development projects and financing gap in the digital sector? What are the gaps and obstacles for the world to achieve universal connectivity? What are the

best practices and lessons learned in development projects addressing digital connectivity and capacity building?

- What are the opportunities and challenges of establishing a new dedicated financing platform/facility for digital connectivity and capacity building? What can we learn from other global fund to ensure such platform/facility will be sustainable?
- What can the upcoming UN processes of Pact for the Future, Global Digital Compact, as well as the Fourth International Conference on Financing for Development 2025 could do to strengthen Member States and stakeholders' commitments towards key catalytic actions of addressing digital divide and spreading the benefits of digital transformation?

Participants are encouraged to share their views and perspectives on the issue of global financing of development projects in digital sector as well as best practices and challenges in digital sector development nationally and regionally.

Participants

The side events will gather participation from the member states, international organizations, IFIs, private sectors, philanthropists, and academia.

Provisional Agenda

Keynote Speech by H.E. Suharso Monoarfa, Minister for National Development Planning of the Republic of Indonesia

Setting the Tone, H.E. Dr. Chola Milambo, Permanent Representative of Zambia to the United Nations

Panel Discussion by

Mr. Pedro Moreno, Deputy Secretary-General, UN Trade and Development, UNCTAD

Mr. Mahesh Uttamchandani, Practice Manager for Digital Development in East Asia & the Pacific (EAP), Digital Development, World Bank Group

Mr. Christopher Sharrock, Head of UN and International Organizations, Microsoft Representative of Bill & Melinda Gates Foundation (TBC)

Interventions

Representative of Australia

Representative of South Korea

Representative of Türkiye

Representative of Mexico

Open Q & A Session

Concluding Thoughts, H.E. Anna Karin Enestrom, Permanent Representative of Sweden to the United Nations

Moderated by H.E. Hari Prabowo, Deputy Permanent Representative of Indonesia to the United Nations