Digital New Deal

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7 SDG ICT indicators - 6 targets under SDG Goals 4, 5, 9,17

- Digitalisation has been identified as a crucial ingredient for achieving some SDGs.
- Digitalisation plays a crucial role accelerating access to knowledge, economic growth, job creation, equality - and can create new opportunities for innovation.
- Is critical to facilitating international trade by providing access to and accelerating communication and facilitating payments.
- Digital advancement is commonly linked with growth and economic integration. But the process is not automatic. Technological advancements are not a guarantee of greater trade and economic integration nor social and economic inclusion.
- Understanding what factors limit participation in the digital economy is crucial to policy makers if we are to address digital inequality and realise the benefits of advanced technologies.
- We don't even have the data for most of Africa to measure progress toward the underlying ICT target for the SDG goals.
- All we do know is that we are far away from meeting them. (SG ITU, SG GSMA)

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Broadly penetration tracks GNIpc

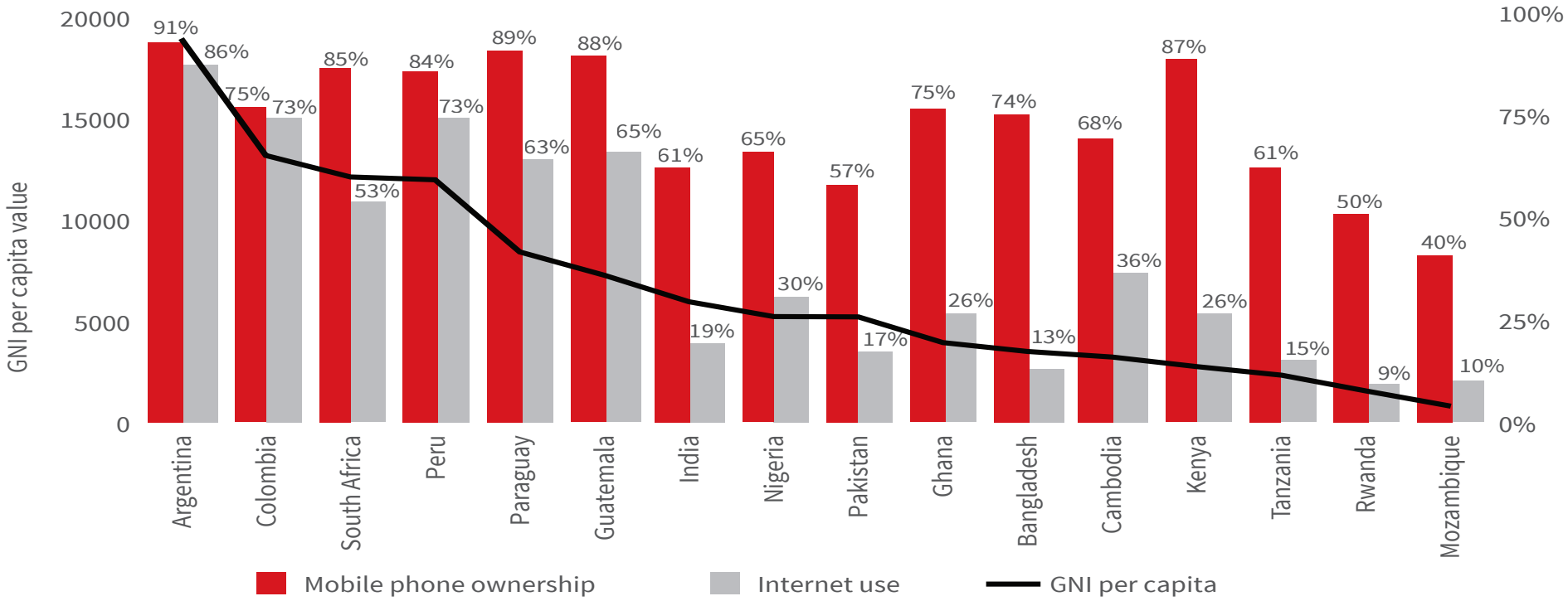

Figure 1: Mobile phone ownership, Internet use and GNI per capita
Sources: RIA After Access Survey, 2017; World Bank, 2018

Gender gap and urban-rural divide

Modelling shows that determinants of access education & income (reflecting intersectional inequality).

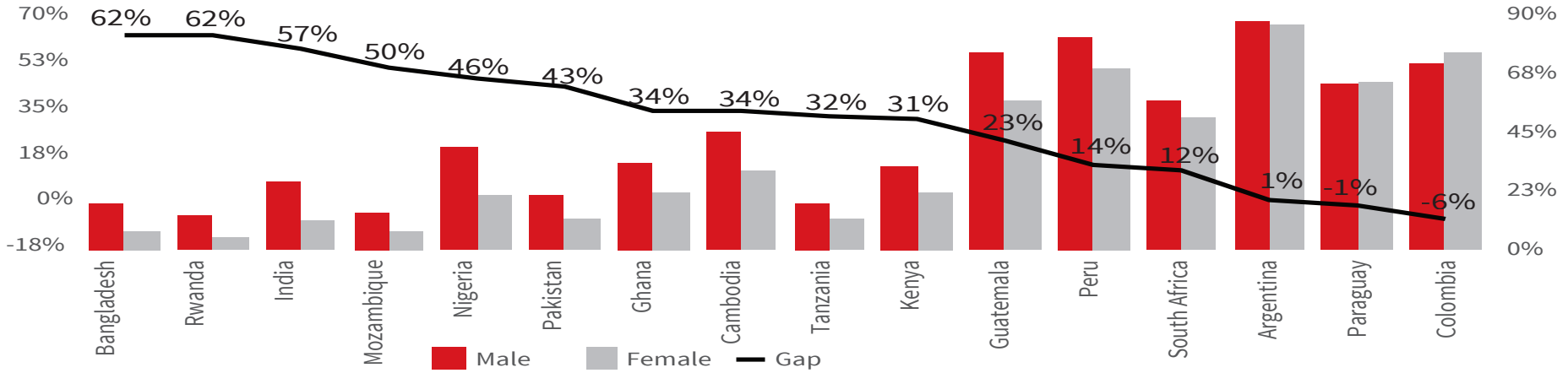

Figure 2: Gender gap in Internet use
Source: RIA After Access Survey, 2017

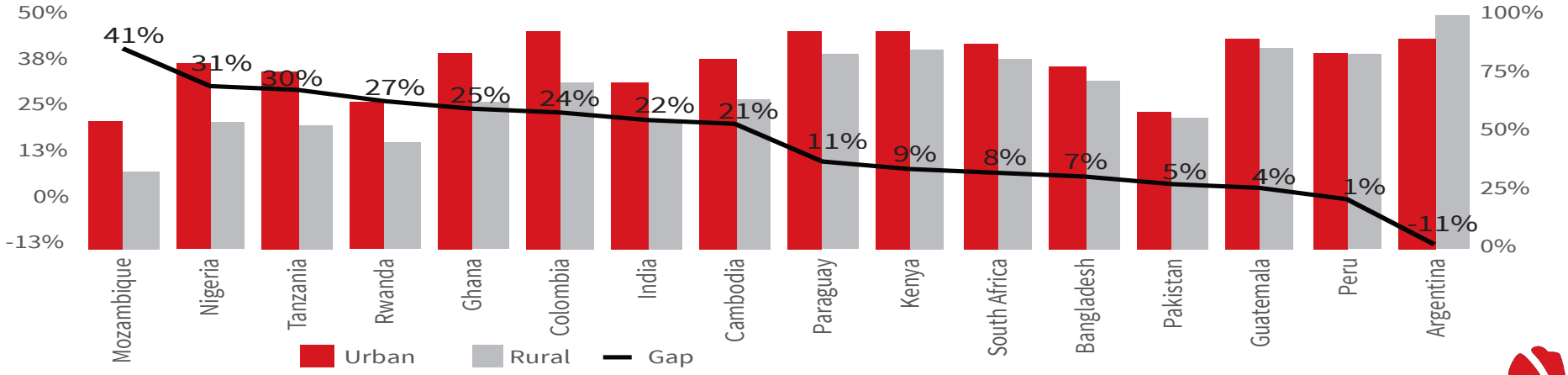

Figure 3: Urban–rural divide in Internet use
Source: After Access Survey, 2017

#AFTER ACCESS

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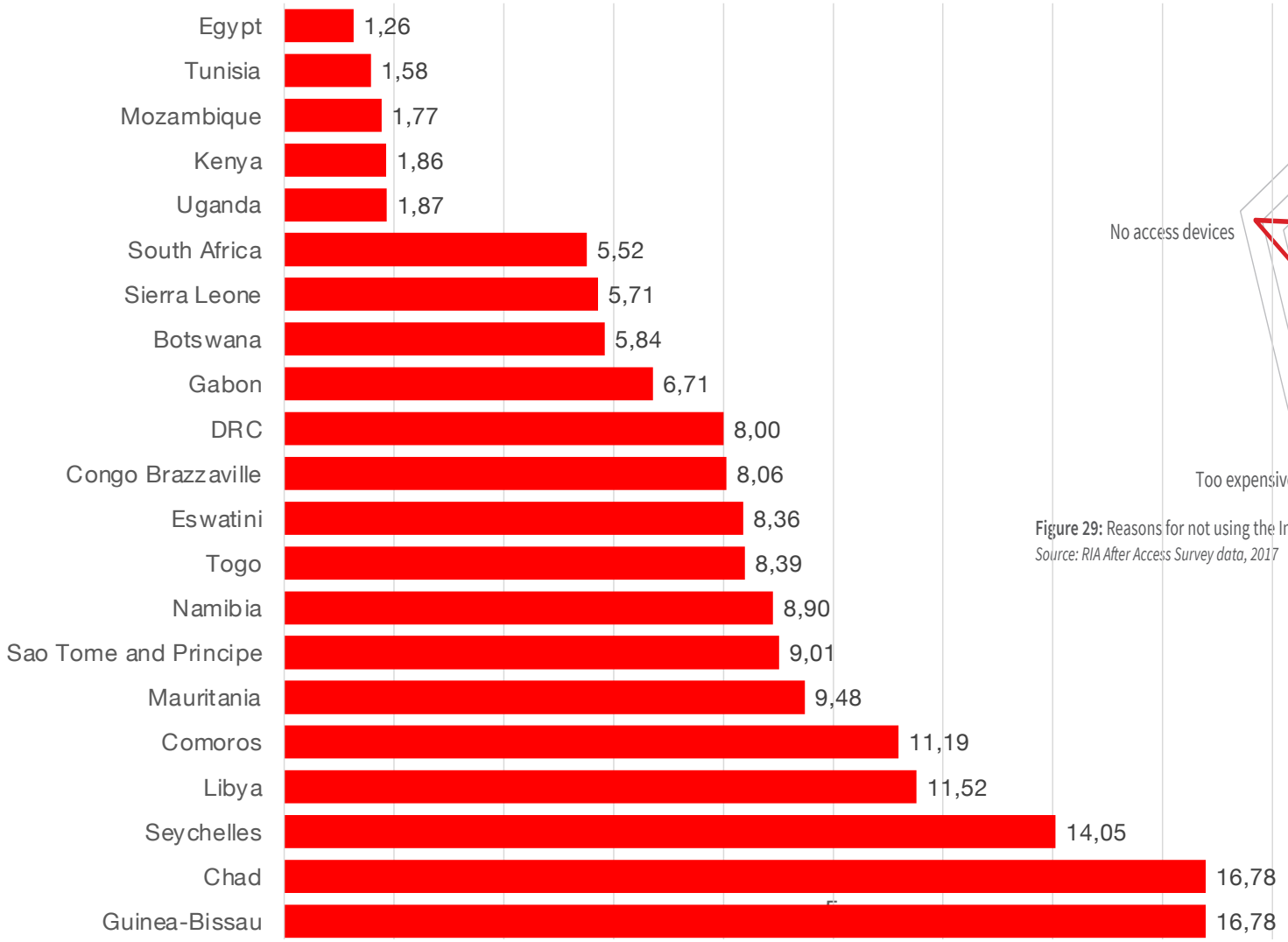
Barriers to access

Price, quality, digital literacy

1 GB data prices(USD) on the RAMP Index (2020Q2)



Affordability of devices

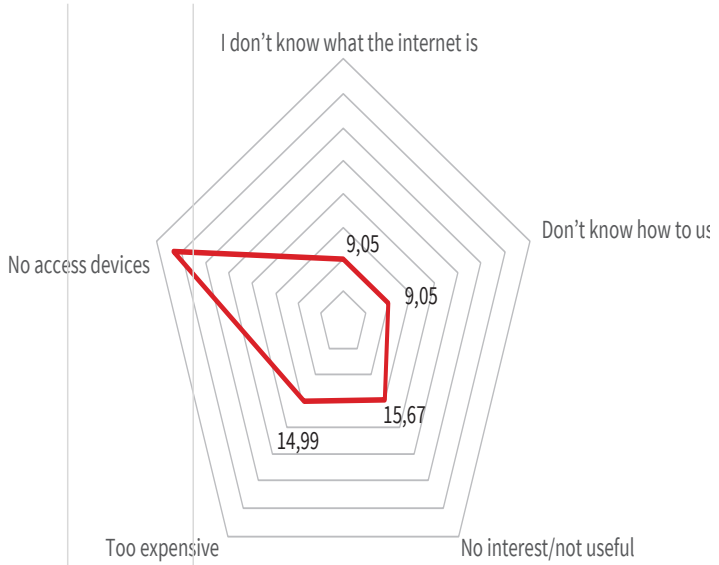


Figure 29: Reasons for not using the Internet
Source: RIA After Access Survey data, 2017

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Smartphone penetration aligned with Internet penetration

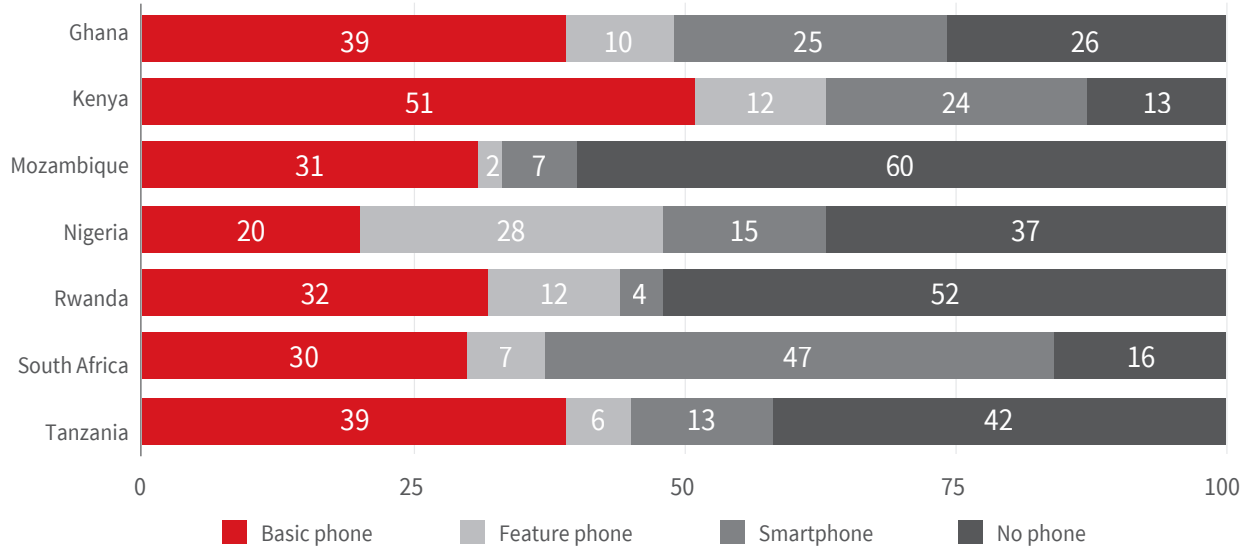

Figure 22: Penetration level by type of mobile phone

Source: RIA After Access Survey data, 2017

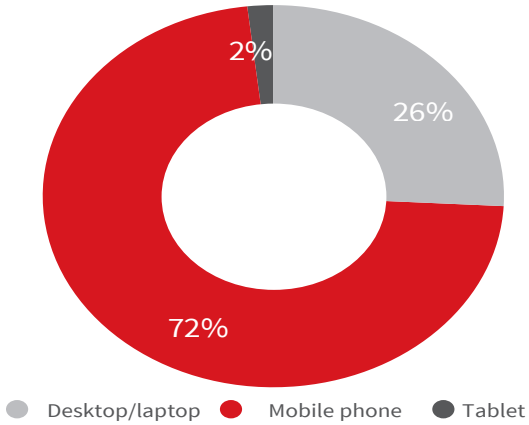

Figure 23: Population grouped by 'device used' to access the Internet

Source: RIA After Access Survey data, 2017

COVID-19 Pandemic & digital inequality

- Pandemic and lockdown has brought into stark relief the implications of digital inequality - not any longer only for moving ones' work, schooling, banking and play online but also for access to social grants, filing for business relief, unemployment and even food relief (life opportunities & survival)
- Compounding effect of digital inequality under pandemic and lockdown

COVID-19 - automated contact tracking, mobility monitoring, AI/data- dashboard rendered useless

- Bluetooth-enabled smart phones do not exist in sufficient numbers to make of the applications worthwhile
- Invisibility or bias in data for dashboards
- Rights and data protection framework not in place – lack of trust – private and state surveillance
- Simply not the physical resources even to follow up on mobile data for contact tracking purposes

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Pandemic ruptured informal values chains preventing informal sector to act as usual buffer to global economic shocks. With only 7% of informal sector businesses on average across 10 African countries in After Access 2018 informal sector survey, unable to mitigate the negative impact of lockdown through digital substitution.

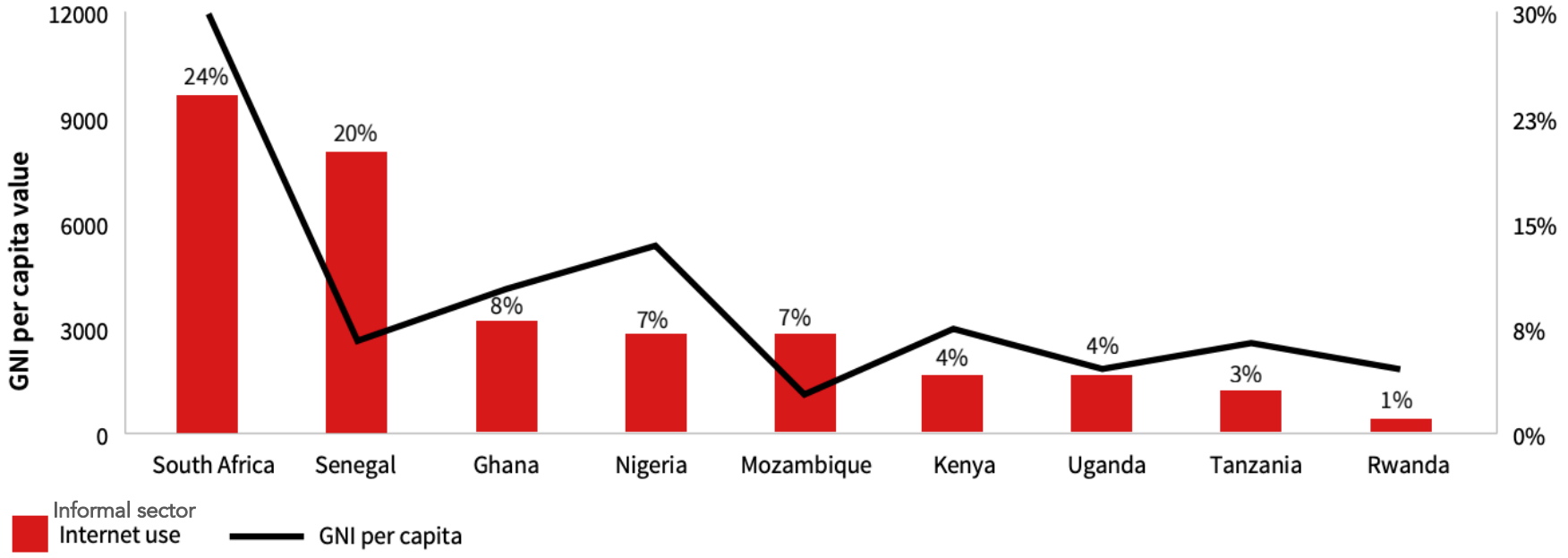

Figure 5: Internet use overlaid on GNI per capita

Source: RIA After Access informal business survey data, 2017

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Digital Inequality Paradox

While connectivity is clearly a precondition of digital inclusion, connectivity in a data environment on its own, does not redress digital inequality.

- As more people are connected digital inequality increases rather than decreases.
- Not only the case between those online and those offline (as in the case of voice and basic text) but also between those who have the technical and financial resources to use the Internet optimally - actively consume, reduce transaction costs, produce – and those barely online, consuming miniscule amounts of data for passive consumption.

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What policy interventions could more equitably allocate resources (from spectrum to data) to ensure meaningful access to quality public goods in the digital era?

New DigitalDeal

Global processes of digitalisation and datafication cut across economy and society requiring a non-sectorally siloed, **transversal digital policy** to deal with:

- '**digital inequality paradox**';
- to integrate implementation across all government departments;
- to enable the necessary coordination of the public, private sector and civil society to deliver public goods and governance

Global public goods such as the Internet will require much greater levels of global cooperation (Global Digital Tax) for them both to be realised at the national level, but also global governance to manage the harms and risks associated with being on-line (surveillance capitalism Zuboff 2018) – cybersecurity, content regulation, data protection

Opportunities for new forms of 'formalisation' of micro/informal firms that through digital 'visibility' that have the potential to increase the tax base for social protection so that all firms and

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We cannot continue to do the same things and hope for different results/we cannot go back to ‘normal’

- Even if there was effective regulation of markets current prices even on basis of **effective regulated prices** the majority of Africans would not be able to afford services.
- Current **business models, exclusive licencing frameworks, extractive rents** by governments through **regressive/irrational taxation/expensive spectrum fees/unused or misused universal service levies**; and by dominant mobile companies who are able to **set prices and leverage dominance** in their market.
- **Dominance of global platforms accountable to no one** – unable to exercise data governance/privacy protections for citizens on the one hand, not gain access to private data for common good (public health)

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What do we need to do?

Immediate policy & regulatory interventions

- enabling state/regulatory entities (institutional capacity, data, new competencies) for dynamic and adaptive ecosystem
- crowd-in productive private investments so that they can be leveraged to provide services to 'uneconomic' access and services challenges (shift public spend from capex to opex – public long-term anchor tenancies to open access fibre providers
- Regulate against market dominance to enable market entry and fair competition on service offerings and price and quality
- conduct low risk experimentation in market structure, alternative access strategies and business model, licensing flexibility – spectrum– enable access by micro, niche, community operators. Off set auction price against infrastructure sharing
- dangers of instrumental competition regulation, acknowledgement of competitive & complementary OTTs, IOTs requiring dynamic efficiency models and adaptive regulation to deal with global complexity.
- engage in global regional governance of public goods (global digital tax – BEPS)

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