#### 21st session of the Committee of Experts on Public Administration

# Written statement by the United Nations Economic and Social Commission for Asia and the Pacific

**Agenda item 9**: Issues in digital government

# Digital divide

While the consequences of the COVID-19 pandemic vary within and among countries, a common feature of the regional experience is that universal broadband connectivity, digital and emerging technology applications coupled with growing digital capacity, have played a key role in mitigating many of the challenges of the pandemic. The COVID-19 pandemic has clearly demonstrated the interlinkages between digitalization and development. On one hand, the pandemic catalyzed the deployment of innovative digital solutions for coping with everyday activities and new socio-economic development opportunities. On the other hand, the digital divide that the pandemic exacerbated have widened and deepened development inequalities across genders, generations, rural/urban areas and marginalized or vulnerable groups of the society.

The Asia-Pacific region is the most digitally divided region of the world. At the regional level, the digital divide manifests as a group of high-income economies that have pulled away, emerging as global leaders in the rollout of new technologies, while for most low-income economies, digital coverage, usage, and diffusion have changed little over two decades. At the national level, it manifests across income groups, age, gender, and rural-urban geography, with income and age showing the starkest divides. Lack of access and connectivity infrastructure including Internet quality and unaffordability due to the high cost of Internet use and digital devices, insufficient capacity building and digital literacy for rapidly evolving digital technologies and applications, and the management and use of increasing digital data with privacy protection are persistent major challenges in the region.

On one hand, the widening digital divide continues to affect digital governance, hindering the rollout of effective e-government services that leave no one behind. On the other hand, the digital transformation opportunities now underpin all aspects of socio-economic policymaking. This requires new policy and regulatory regimes that are more flexible, adaptive and collaborative. Towards this end, in a productive example of how to seamlessly bridge global and regional levels of intervention among the UN family, DESA and ESCAP have partnered

to implement a Development Account project "Frontier Technology Policy Experimentation and Regulatory Sandboxes in Asia and the Pacific" from 2021 to 2024. The key objective of the project is to foster development and investment in technological innovations in Asia-Pacific developing countries for sustainable development.

## Digital technologies for digital governance

#### Digital identity

Digital identification (ID) is an essential element in forging a sound digital economy and digital governance, especially for conducting on-line public and private activities and providing online services. A national digital ID system is the first step in building a digitally more inclusive society, that provides a means to verify a citizen's identity digitally and improve access to, for example, social protection schemes. This is particularly important for the vulnerable communities in Asia-Pacific countries, emerging urban areas, and those living in rural and remote areas.

Digital ID can be used for multiple purposes and places such as public offices, airports, transport ticketing, e-government welfare services, and disaster risk management. Multiple initiatives to develop and deploy digital health certificates based on digital ID systems are also currently underway around the world. For example, to facilitate travel and large live-audience events. In addition, digital ID-based data, with special caution in a limited way, can be used in disaster and crisis monitoring and management by using safe and secured identification. By integrating with socio-economic data and demographic data, digital ID systems can facilitate accurate targeting by providing an optimal fix to issues, such as leakage and diversion, known to plague crisis and disaster-related social protection systems (Alan Gelb and Anna Dioifasi Metz, Identification revolution: Can digital ID be harnessed for development? Center for Global Development, 2018).

Currently, digitally advanced countries such as Australia, China, New Zealand, the Republic of Korea, and Singapore in the Asia-Pacific region as well as the United Kingdom and Canada in other regions have prepared to roll out digital ID to promote inclusive digital services.

#### Digital payment

Digital payments are transactions that take place via online with no physical exchange of fiat money involved. This implies that the payers and the payees use electronic mediums and systems to exchange money virtually. Digital payments are done in different forms including payment for goods and services using bank cards, mobile wallets, Internet or mobile banking, among others. The benefits of digital payments include ease and convenience of use, facilitating higher growth in business transactions, and also improves transparency on digital governance.

A digital payment system requires four foundational infrastructures to be implemented. First, the electricity supply needs to be reliable. Digital payments depend on power, which is often inaccessible in many developing countries, both in urban and rural settings. Second, having a robust information and communications technology (ICT) infrastructure is paramount. Similar to electricity, mobile networks do not offer coverage in sparsely populated and rural areas, where they are most needed to enable mobile money solutions, with appropriate voice, text messaging, and other communication services. Third, the basic payment structure—such as

automated clearing houses and payment switches, along with system interoperability—needs to be in place. Fourth, identification infrastructure, such as reliable ID systems (mainly digital ID), can help digital financial service providers carry out their due diligence and enable access to patrons of digital finance.

As a result, digital payment systems improve digital governance through better transparency and promote the growth of a digital economy and inclusion.

## **Asia-Pacific Information Superhighway**

The United Nations Economic and Social Commission for Asia and the Pacific supports Asia-Pacific countries to bridge the digital divide and accelerate digital transformation. It promotes connectivity, digital applications, and data use through the regional cooperative mechanism entitled Asia-Pacific Information Superhighway (AP-IS) initiative.

Member States adopted an Action Plan (2022-2026) of the Asia Pacific Information Superhighway (AP-IS Action Plan 2022-2026) at the fifth session of the AP-IS Steering Committee in November 2022. The Action Plan consists of three pillars with 25 actions such as Connectivity for all, Digital technologies and application, and Digital data. Pillar 1 on "Connectivity for All" focuses on enhancing the regional broadband backbone networks and infrastructure for the promotion of universal access to affordable and reliable Internet. Pillar 2 on "Digital Technologies and Applications" focuses on the development of digital technologies, systems, applications, platforms, and processes, as well as capacities and skills. Pillar 3 focuses on strengthening digital data creation, transition to open format, storing, maintaining, use, and integration with other data sources such as satellite-geospatial data, real-time Internet of things and statistical data. Digital data also needs to be accessible while also recognizing the need for privacy and data protection.

The AP-IS Action Plan 2022-2026 supports the UN Secretary General's 'Common Agenda' on improving digital global cooperation to connect all people to the Internet, avoid Internet fragmentation, protect data, and promoting digital commons as a global public good. The Action Plan also contributes to the regional implementation of the Action Lines of the World Summit on the Information Society (WSIS).