

Road to 2023: D4D Hub in Action for EU-LAC Digital Cooperation

2nd High-level event of the Digital for Development (D4D) Hub for Latin America and the Caribbean

12 December 2022

Wrap-up note

One year after the launch, Slovenia, Spain, the European Commission and the D4D Hub Secretariat jointly organised a multi-stakeholder event, to present the D4D platform to the LAC partners, while at the same time seeking input from the participants from the region on the expectations, priorities and possible deliverables for the future joint digital agenda within the EU-LAC partnership. The discussion, shaped in the form of two parallel roundtable sessions, focused on two topics: (i) the avenues to shape an EU-LAC approach to human-centred and inclusive digitalisation with the help of emerging technologies; and (ii) the opportunities in shaping the Global Gateway digital investment agenda for LAC.

We hereby share the main outcomes from our event:

Participants: over 100 estimated in person and over 200 online

Roundtable A: Shaping an EU-LAC approach to human-centred and inclusive digitalisation: the role of emerging technologies

Concept:

A human-centred and inclusive approach is at the heart of digitalisation policies in both EU and LAC, such as the Digital Agenda for Europe, the Global Gateway or the 2024 Digital Agenda for Latin America and the Caribbean. In the run-up to the launch of the EU-LAC Digital Alliance and the EU-CELAC Summit, this session explored how the EU and LAC could further consolidate a joint, human-centred and inclusive vision for the digital transformation, through strengthened cooperation and dialogue. It placed a particular focus on emerging technologies, such as Artificial Intelligence, which carry transformative potential for economies and societies, but also bring certain risks. Concrete ways how EU and LAC partners can work together to shape an enabling environment for such a vision globally, regionally and nationally were discussed. It looked at (i) policy dialogue on global norms and national regulatory frameworks as well as (ii) cooperation in research and education as two important pillars of such an enabling environment.

Main outcomes / Key messages:

What are the main obstacles in advancing inclusive digital transition? How can emerging technologies, such as Artificial Intelligence, help bridge the digital gap?

- **Infrastructure**
 - o Insufficient ICT infrastructure in Latin America and the Caribbean.
 - o Underinvestment by most countries of the region in the development of the required infrastructure to support the overcoming of the digital divide and the gradual incorporation of public and private organizations into the digital society.
- **Political willingness and regulatory framework:**
 - o Lack, by most countries, and at a continental level of a strategic vision and regulation regarding the role of digital transformation technologies in improving competitiveness, fostering productivity, and enhancing the national and regional innovation ecosystems.

- Short term vs long term orientation in the political agendas
- Lack of an adequate legal framework
- Short periods of government for initiatives or projects that require continuity to generate real change
- **Knowledge sharing and capacity building opportunities:**
 - Digital skills: for example, the lack of an educational agenda for the awareness, capacitation and training of the human resources needed to face the challenges of the knowledge economy society.
 - Need more cooperation and collaboration at the continental level to scale-up solutions
 - Inclusive approach: looking at youth, indigenous communities, etc.
 - Importance of the green/environmental perspective in digital transition
 - This is not a matter that should only be in the hands of technicians but should involve all the main sectors of society.
 - More involvement of SMEs

The emergent technology of artificial intelligence could help bridge the gap by:

- Providing, through machine learning and big data processing, the generation of the knowledge needed to support decision-making regarding the strategic and operational aspects of designing and launching programs concerning human-centric and inclusive digital transformation. In particular knowledge about financial opportunities and resources.
- Providing use cases through pilot projects as a demonstration effect of the impacts of AI in many fields (some good examples exist in the region already=
- More broadly, it is important to note as well how digitalisation, including emerging technologies, such as AI, can trigger real transformations in the human and non-digital gaps, such as inequalities, as well as more broadly help address the Sustainable Development Goals (SDGs).

How can the EU-LAC dialogue and cooperation on policy development and regulatory frameworks be strengthened? Which avenues should be expanded and what tools are we lacking?

- Facilitating the implementation of benchmarking exercises that contextualize best practices that can be applied to the realities of Latin American and Caribbean countries.
- Designing and implementing joint programs for sharing information and knowledge to support human-centered and inclusive digital transformation. In particular starting with bi-lateral cooperation to develop solutions tailored to each country's context, but also promoting regional exchange opportunities as it will be easier for LAC countries to keep learning from each other, and further exchange on common challenges and digital solutions with other continents.
- Scale-up successful solutions: the Copernicus centres provide good examples for regional hubs in the continent.
- Facilitating intense networking and dialogue between data experts and development experts for bridging the gap in understanding how digitalisation can help advance sustainable development, as well as help move from theory to practice in this regard.

How can cooperation in research and education further enhance a common vision for inclusive digitalisation, as well as ethical governance of emerging technologies?

- Developing joint programs for building a shared vision and designing and implementing pilot projects to develop the capabilities and resources needed to make it a reality.
- Contributing to create a smart network of intelligent organizations (universities, research centers, enterprises and governmental organizations) capable of employing artificial intelligence and other advanced digital technologies to train and empower stakeholders

in the skills and abilities demanded by a human-centered and inclusive digital transformation.

- Strengthening existing experiences and extending good local practices in a regional level with the involvement of global peers.
- Promoting research and education in the ethical aspects related to digital technologies.
- Develop common AI curricula that not only benefit the transformation of teaching methods and education, but also promote learner-centred pedagogical approaches while respecting ethical norms and standards.

Roundtable B: Building together a Global Gateway digital investment agenda for LAC

Concept:

This session focused on the upcoming Global Gateway digital investment agenda for LAC, recently announced by the President of the European Commission, Ursula von der Leyen. It sought to obtain LAC partners' expectations on the agenda by discussing the opportunities and challenges the private sector faces in advancing digital economy in countries of the region. The discussion focused on identifying concrete areas to work on, instruments or incentives that could further be developed to foster investments and private sector cooperation. It also looked at possible ways to strengthen digital entrepreneurship and innovation and develop enabling ecosystems, policy frameworks as well as financing options.

Main outcomes / Key messages:

Connectivity, accessibility and digital capacities appear to be the main areas in need of massive investment in the region. The "last mile" must be covered, to reduce this new source of inequality that is digitalisation. Extending 5G geographically in the region is a challenge and a unique opportunity to reduce digital divides. Also, improve existing 4G, 3G networks... And reach the last mile, which is not a big source of profits for companies but essential from the point of view of rights. In this area, Official Development Assistance can be useful, with non-reimbursable funds that serve to leverage public or private investments (blending).

The need for active listening from the EU to the Latin American and Caribbean partners, and the alignment of the bi-regional agenda with the needs of the countries and the region as such. The problems are similar now we have to align the solutions and converge towards a common plan. It is important to dialogue directly with the countries of the region, which already have their own plans, and to develop both sectoral dialogue fora to discuss specific problems and instruments for cooperation with other multilateral and financial organizations, such as the IADB.

A cooperative, multi-stakeholder model is key to address the challenges of this revolution. In this sense, this event and those that will come on the way to the Summit, organised in the region and in Europe by the Spanish Cooperation in their upcoming leading role in the LAC branch of the D4D hub, are examples of co-creation, which we must continue to promote. in favor of a just and sustainable digital transition. Need to include new actors in the dialogue that are representative of the diversity of LAC and with attention to gender perspectives and dialogue with multilateral organizations such as the ILO.

A stable regulatory framework, that shouldn't be focused primarily in collecting revenues, is a fundamental element to increase the quality and quantity of investments in connectivity. Sharing regulatory experiences in the field of cybersecurity and committing to the development of a convergent regulatory framework.

Connecting the disconnected, yes, but doing it in such a way that digitalization strengthens democracy and does not create new gaps. Work on the twin transition, digital and energy, also with LAC partners.

Along with the experience and capacity of large companies, SMEs are essential for the digital ecosystem, due to their ability to adapt and innovate and their essential role in creating decent jobs. There is still room for improvement to support SMEs in both regions in their digitalization process, through soft loans, loan guarantees, "triple A" training: adapted, affordable and accessible. Study successful models already proven in LAC and analyze if they can be 'scaled' in other countries instead of starting from scratch.

Education and training, support for professional careers that involve technological skills, are all key.

Quotes from high level session:

“In just one year the D4D Hub has achieved so much: it is helping to boost digitalization in the LAC region, it is developing a vision for a just and inclusive digital transformation and leveraging knowledge, experience, partnership, and investment from both public and private sectors. Member States have shaped this initiative in a true Team Europe spirit and now we need to go further and take the Hub to the next level, notably by launching the EU-LAC Digital Alliance, and in doing so we will work closely with our Latin American and Caribbean partners.” **H.E. Jutta Urpilainen, Commissioner for International Partnerships, European Union.**

“Hay una toma de conciencia creciente entre los europeos: necesitamos a América Latina. Necesitamos como europeos acercarnos a la región, contribuir a un espacio común de desarrollo, de prosperidad, basada en los valores que compartimos la Unión Europea y América Latina y que en estos momentos son más importantes que nunca.” **H.E. José Manuel Albares Bueno, Minister of Foreign Affairs, EU and Cooperation of Spain.**

“Digitalisation can help us transform not just our countries, economies, and societies, but also our partnership. Therefore, I hope it will transform not just the way we do things, but also the way we look at EU-LAC relations - not as two like-minded regions separated by the vast ocean and the seas, but as two more and more integrated and connected parts of the same space.”. **H.E. Tanja Fajon, Deputy Prime Minister and Minister of Foreign Affairs of Slovenia**
