# Comments and text suggestions to the Zero Draft of the Doha Programme of Action for Least Developed Countries

**Submission from Just Net Coalition** 

July 2021



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The Doha Programme of Action comes at a critical juncture. Progress towards achieving the Sustainable Development Goals (SDGs) in the Least Developed Countries (LDCs) has been uneven and not on track to achieving the ambitious targets of Agenda 2030 (Para 12, Zero Draft). The Covid-19 pandemic has unleashed a development emergency that has reversed hard-won gains made by LDCs, especially in relation to addressing poverty and economic inequality (State of the LDCs 2021). The role and relevance of global development cooperation assumes an urgency and importance like neverbefore (Para 13, Zero Draft).

The Zero Draft is commendable for its attention to the specificity of the challenges for the development agenda in the current context:

- It recognizes that universal health coverage, especially affordable access to essential life-saving medicines and vaccines needs to be ensured across the LDCs (Para 56, Zero Draft), noting that nothing should stand in the way of this target, including the global intellectual property regime (Para 59, Zero Draft).
- It acknowledges that in a global economy redefined by accelerated digitalization, the development destiny of countries is irrevocably tied to their capability to move into the higher value segments of global data value chains, moving away from low value-added natural resources and low-technology products (Para 105, Zero Draft).
- It draws attention to the imperative of securing adequate digital infrastructure for e-learning, e-governance, and e-commerce in the LDCs (Para 97, Zero Draft), underlining the major deficits in the current international technology transfer landscape (Para 94, Zero Draft) that have impeded LDCs from advancing their technological and institutional capacities and local innovation capabilities for inclusive and sustainable development (Para 105, Zero Draft).
- It urges that the loopholes in the international taxation regime be addressed to prevent base erosion and profit shifting in virtualized business operations (Para 243, Zero Draft).
- It points clearly to the inadequacies of the policy and regulatory frameworks underpinning e-commerce (Para 191, Zero Draft) that have loaded the dice against LDCs in the emerging digitalized international economic order.

Despite its clear framing of some of the problematics that demand urgent action, the Zero Draft still falls short of identifying the key structural challenges and the commensurate commitments necessary to make a positive dent on the development prospects of the LDCs.

Specifically, we are concerned about the following gaps in the Zero Draft:

## 1. Lack of recognition of national digital sovereignty of LDCs towards building domestic digital capability and a complete reliance on the market model of technology transfer.

The competitive endeavor of development in the 21<sup>st</sup> century depends on building national digital and data capabilities, including infrastructure, based on appropriate laws and policies that can encourage local productive capacity and economic resilience. Platform, data, and AI infrastructures have emerged as the pivot of structural transformation, not only in economic production and market exchange but also social communication, public health and education, governance systems, and more.

Current models in the platform economy are based on a neo-liberal, winner-take-all model led by a handful of digital firms who enjoy an 'intelligence advantage' – the disproportionate gains obtained from data-based knowledge premiums. They are the de facto owners of the data amassed in a non-regime of free data flows. This is the data that can provide the vital foundation for a new architecture for value creation in the LDCs. Unfortunately, it is locked up in inaccessible corporate enclosures.

The prior failures of the market model of technology transfer cannot be forgotten. Yet, the Zero Draft continues to fall back on the standard rhetoric of "private sector partnerships" for research and innovation, technology transfer and technical competencies. Exhorting major technology companies (Para 115 and 116, Zero Draft) to provide the means to domestic economic resilience is a zero-sum exercise. Rather, it will lead to the privatization and corporatization of digital and data infrastructures, loss of technological sovereignty, and a hollowing out of local productive capacity.

LDCs need new platform, data, and AI models that promote distributive justice in the digital economy. They need new digital policy approaches that allow them to transition out of the low-value segments of the economy. The digital and data infrastructure they need to build this depends on development financing for the creation of public digital goods.

The competitive edge of domestic digital/digitally-enabled services for the global economy is predicated on the provisioning of public digital goods – from connectivity infrastructure, to platforms, cloud services, analytics, and more. Today, as platform, data, and AI infrastructures become increasingly crucial to the core sectors of the economy, a whole-of-economy approach is needed in LDCs – with appropriate public financing and policies that create the right conditions for digital structural transformation.

Research by the international NGO, GRAIN, on Big-Tech-led partnerships in Africa in agriculture, reveals that private-sector-led platform and data services are focused on opening up new markets among small and marginal farmers rather than enhancing the integration of developing countries into global agricultural value chains. The need of the hour is to deploy digital technologies for a rise in farm productivity and equitable growth of incomes in the farming sector. What is true for agriculture is also true of essential/foundational platform and data infrastructure in other sectors. The market route is evidently no replacement for the Official development assistance (ODA) route to investing in digital infrastructure.

#### 2. Inattention to major deficits in global digital governance arrangements

The strategies for action proposed by the document do not address the risk of LDCs being permanently reduced to a subordinate status in the global digital economy, locked into the position of being perennial "exporters of raw data, and importers of value-added data products, with little domestic ability to potentially change this relationship" (UNCTAD 2019).

The e-commerce development agenda that is outlined does not adequately emphasize the importance of LDCs preserving the policy space to assert their jurisdictional sovereignty over cross-border data flows to protect and promote their strategic economic interests. So far, trade rules in bilateral, plurilateral, and regional agreements have undercut the policy space of LDCs to benefit from emerging digital value chains. While data protection has been heralded as an important agenda in evolving "transparent and fair regulations for promoting e-commerce and integration of LDCs in the global economy" (para 193, Zero Draft), no mention has been made of data sovereignty and policy space to safeguard domestic digital economic development. Similarly, while the Work Programme on E-commerce (1998) has been referenced as an important benchmark, the document fails to send a clear and unequivocal message of complete rejection of the ongoing plurilateral negotiations on e-commerce at the WTO (para 158, Zero Draft). The rules being proposed in the plurilateral – for unrestricted cross-border data flows, hyperliberalization of e-commerce in goods and services and removal of market access conditionalities, and moratorium on customs duties on electronic transmissions – will permanently foreclose any possibility that LDCs have to advance their growth and development prospects.

The vision of digital governance, as put forth by the UN Secretary General's Roadmap, has been held up as the standard-bearer for a more inclusive and equitable digital future for all (Para 113, Zero Draft). However, the proposals for global digital cooperation in this roadmap run counter to Para 69 of the Tunis Agenda of the World Summit on the Information Society (WSIS), instead paving the way for the slippery slope of the equal-footing multistakeholderist model of digital governance that will result in the farce of 'Big Tech governing Big Tech'. Over 170 civil society groups, including the Just Net Coalition, have called attention to the urgency for pursuing the "enhanced cooperation" agenda of the WSIS aimed at enabling governments to carry out their roles and responsibilities in international public policy issues pertaining to the internet, and immediately addressing the worrisome democratic deficit in the international digital arena.

Without international norms and rules adopted through democratic public policy processes, the promise of data and digital technologies for sustainable development and an equitable future for all is unlikely to be realized.

From this standpoint, the Just Net Coalition calls for the following specific changes to the Zero Draft of the Outcome Document:

**Proposal 1.** Targets with respect to LDCs reaping the benefits of the Fourth Industrial Revolution, in Para 97, should shift the bar from building "adequate digital infrastructure" to 'autonomous platform, data and Al infrastructure' for local innovation and digital industrialization.

**Proposal 2**. Targets with respect to significantly improving Science, Technology, and Innovation (STI) infrastructure in LDCs, in para 108, should also include 'support to LDCs in evolving national level data and AI strategy roadmaps by 2030' and 'significantly improving domestic innovation capabilities for national economic resilience'.

**Proposal 3.** By 2031, at least 10% of ODA to LDCs should focus on supporting the development of autonomous connectivity, platform, data, and AI infrastructures. Part of such ODA must be channeled towards establishing a new, overhauled Digital Solidarity Fund (envisaged by the WSIS <u>Tunis Agenda, Para 28</u>) for universalizing access to connectivity and public digital and data architectures rooted in social justice and human rights.

**Proposal 4.** A norm-based and rule-bound international data regime is urgently needed to ensure that the finders-keepers logic of the current free data flows paradigm is reversed. The much-touted opportunities of the Fourth Industrial Revolution hinge on the ability of LDCs to generate and deploy digital intelligence for regenerative and sustainable local economies. By 2025, the year that marks the WSIS plus 20 review milestone, countries must usher in an international regime for data that respects the jurisdictional sovereignty of national data resources.

**Proposal 5.** In the focus on building an enabling support for private sector development, the compass must shift from improving 'ease-of-business' for multinational corporations, especially digital TNCs in LDC contexts and move towards the reiteration of the human rights obligations of business, creation of quality employment opportunities and preservation of decent work guarantees, and mandatory technology transfer conditionalities in private sector partnerships for science, technology, and innovation.

**Proposal 6**. Global digital governance arrangements should be founded on the WSIS principles of a people-centered, development-oriented digital paradigm. The UN Secretary General's Roadmap for Digital Cooperation should be rejected. Dominant digital trade, taxation and IP regimes must be transformed in order to preserve the policy space for digital industrialization. We need development partnerships for people and planet, not for private profit.

#### **Annex with Suggested Changes to Text**

#### Doha Programme of Action for Least Developed Countries - Zero Draft

Suggested text from Just Net Coalition for specific paras in the Zero Draft.

Suggestions to text in blue font and deletions in strike-throughs.

Section: Good and effective governance at all levels

#### **Suggestion 1**

Para 84. We commit to reforming the decision-making and governance structures of international organizations to ensure that the LDCs are well represented. We also commit to providing continued support for strengthened and effective voice and participation of LDCs in international dialogue and action on development, as well as in decision- and rule-making and standard- and norm-setting processes in all areas affecting their development, and in relevant international forums, particularly actions to further a multilateral and democratic global governance mechanism in line with the WSIS Tunis Agenda (Paras 51 and 69).

Rationale: As argued by the 170+ CSOs in their <u>response</u> to the <u>UN Secretary General's Roadmap for Digital Cooperation</u>, a multilateral and democratic global governance mechanism in line with WSIS principles and outcome documents is urgently needed to end the corporatist, multistakeholder model of rule-making that holds a just and equal digital economy and society to ransom. The development agenda for LDCs cannot be furthered in the current conjuncture without addressing this global governance deficit.

#### **Suggestion 2**

Para. 85. We commit to promoting policy coherence and coordination of international financial, trade, and development institutions, processes, and mechanisms, including their numerous intersections with global digital economy and the economic governance of data, taking into account the diversified and special development needs and challenges of LDCs.

Rationale: International global digital governance processes which are currently fragmented across multiple forums do not serve the strategic economic interests of LDCs. Para 60 of the Tunis Agenda of WSIS recognizes that there are many cross-cutting international public policy issues regarding the internet that require attention and are not adequately addressed by the current mechanisms. The future vision in the Zero Draft for "good and effective governance at all levels" requires the development and harmonization of appropriate norms and principles of data governance. The attention of the international community has so far been on robust data protection and human rights. An equally important and urgent agenda is about national and international norms and governance frameworks for data value chains. A new global-to-local economic governance regime for aggregate, anonymized non-personal data is necessary to ensure that data and intelligence are appropriately deployed for public and social value creation, and do not deepen existing geo-political and geo-economic divides.

# Section: Access to modern technologies for sustainable development. Building human capital, infrastructure, and institutions to reap the benefits of the Fourth Industrial Revolution

#### **Suggestion 3**

Para 96. We express concern that LDCs with limited human and institutional capacities and limited internet access are unable to participate and benefit from the modern technologies and ICT revolution. During the period of the implementation of the Istanbul Programme of Action, internet access in LDCs increased to 19 per cent in 2019 from about 5 per cent in 2011. Despite this progress, there is a growing digital divide between countries as well as between urban and rural areas and women and men within the LDCs. This divide results from low internet and broadband coverage, especially in rural and remote areas, the relatively higher cost of using the internet, lack of local content and relevant digital skills in LDCs. Approximately 800 million people in LDCs are not online and have no possibility of participating in online services, e-commerce, e-learning, or communication. Without domestic digital infrastructural capability, the risk of LDCs being locked into the low-value parts of the global economy is likely to be accentuated.

**Rationale:** As UNCTAD observes in its <u>Global Digital Economy Report, 2019</u>, "instead of latecomer economies catching up in the data economy, their subordinate status may get accentuated. The risk is that most countries, and particularly the LDCs, will become exporters of raw data, and importers of value-added data products, with little domestic ability to potentially change this relationship".

#### Suggestion 4

#### Para 97. Targets:

- Substantially increase investment in research and development, as well as human, and institutional capacity building.
- Build adequate **and autonomous** digital **and data** infrastructure including for e-learning, e-governance, and e-commerce.
- Promote transfer of technology including digital and environmentally sound technologies to LDCs.
- Establish and strengthen national institutes for science and frontier technologies such as AI to promote local innovation institute in each LDCs.
- Move away from low value-added natural resources and low-technology products to higher value-added manufactures, and higher-technology products through domestic digital industrialization.

Rationale: It is not enough to have adequate digital infrastructure. Today, Al patents are disproportionately concentrated in the hands of a few entities. This disparity is bound to be a significant factor that forecloses development pathways for LDCs. Without technological sovereignty and autonomous digital infrastructure, LDCs cannot harness the value of data and digital intelligence for catalyzing structural change that is sustainable and equitable. Similarly, in addition to institutes for science, it is important to have dedicated institutions in all LDCs for innovations in frontier technologies.

#### Suggestion 5

Para 99. We commit to **universal, equal, and affordable** improving affordability of internet access and its productive usage for LDCs through international support **and** appropriate regulations. <del>and promotion of competitive market so that operators compete for low-use customers through a variety of internet plans that cater to different income levels and improve rural coverage through universal service funds.</del>

Rationale: Internet access should be <u>universal</u>, <u>open</u>, <u>and equal</u>. This means zero services plans that violate net neutrality should not be allowed and access should not be throttled/blocked without due process by state or mobile network operators. "Universal, equal and affordable" also covers the objective of the deleted part. LDCs should be supported to develop domestic operators and unilaterally liberalize the telecommunications market to introduce competition in a calibrated way so that the domestic sector can be built up. Policy space is maintained when there is no "lock-in" of commitments to liberalize LDC services market.

#### Suggestion 6

Para 101. We agree to support LDCs to build capacity to scale up the deployment of and utilization of emerging technologies and the development of autonomous national platform, data, and Al infrastructure for the SDGs and incorporate them into the local production of food, manufactured goods, and services for both rapidly growing regional markets as well as global value chains.

**Rationale:** As the UNCTAD <u>Digital Economy Report, 2019</u> notes, digitalization has created a push for servicification. In LDCs, digitally-delivered services accounted for approximately 16 percent of total service exports, a figure that has tripled between 2005 and 2018. Unless LDCs can build domestic digital infrastructure, they will not be able to harness new opportunities in emerging global value chains and regional markets optimally.

#### Suggestion 7

Para 105. We will support LDCs to move away from low value-added natural resources and low-technology products to higher value-added and higher-technology products; and integration into Global Value Chains (GVCs) to build productive capacities, and diversify their export matrix, and gain a greater share in the emerging digital economy.

**Rationale:** Same rationale as in Para 96 (Latecomer economies need an opportunity to build their digital capacities and move up global data value chains).

## Section: Science, Technology, and Innovation for development and recovery from the Covid-19 pandemic and building resilience against emerging challenges

#### Suggestion 8

Para 108. Targets:

- Significantly improve STI infrastructure in LDCs by 2031.
- Ensure universal access to and meaningful use of internet by all in all the LDCs by 2030.
- Significantly **reduce** the cost of using the internet.
- Support all LDCs in evolving national-level data and AI strategy roadmaps by 2030.
- Significantly improve domestic innovation capabilities for national economic resilience.

Rationale: We need targets to specifically mention the development of digital infrastructural capacity.

Section: Promoting private sector engagement, digitalization, and broadband connectivity

#### Suggestion 9

Para 113. We aim to achieve sufficient level of digital skills and literacy to ensure digital inclusion that addresses both basic infrastructure development and human capital accumulation. We acknowledge and commit to the vision of a people-centered, inclusive, and development-oriented Information Society outlined in the WSIS Declaration of Principles (2003). Secretary General's Roadmap for Digital Cooperation and its vision of a more inclusive, equitable and safe digital future for all.

**Rationale:** The Secretary General's Roadmap is an attempt to normalize multistakeholderist rule-making and private sector agenda-setting in essential digital and data infrastructure. This is fraught with problems and lack of accountability of the private sector actors. What is needed is a progressive vision of a development-oriented digital paradigm envisioned in the WSIS process.

#### Suggestion 10

Para 114. Targets:

- By 2030, all people in LDCs should have safe, affordable, and meaningful digital connectivity.
- By 2025 broadband-internet user penetration should reach 35 per cent in LDCs.
- By 2031 double the broadband-internet user penetration in LDCs to reach 70 per cent mark.
- By 2031, ensure that at least 10% of Official Development Assistance to LDCs supports the development of domestic digital, data, and Al infrastructure.
- By 2025, adopt international norms that recognize and respect national data sovereignty.

**Rationale:** As UNCTAD's Global Digital Economy Report (2019) observes: Recent estimates of international aid flows suggest that only a small fraction of ODA is explicitly addressing the development implications of digital transformations. This is as low as 1 to 5% of either project funding or support to regulations and policies in the ICT sector.

A norm-based and rule-bound international data regime is urgently needed to ensure that the finders-keepers logic of the current free data flows paradigm is reversed. The much-touted opportunities of the Fourth Industrial Revolution hinge on the ability of LDCs to generate and deploy digital intelligence for regenerative and sustainable local economies. An international regime for data

that respects the jurisdictional sovereignty of national data resources is, therefore, vital. This should be a reality by 2025, the 20<sup>th</sup> year milestone of the WSIS.

#### Suggestion 11

Para 116. We will promote partnerships with the private sector to fully leverage their capacity for innovation and encourage greater investment in sustainable network infrastructure, and practical digital capacity-building initiatives in LDCs. In such private sector partnerships, We encourage and support the private sector, particularly those led by major technology companies, to work closely with public, educational, research-focused, and development agencies, we encourage the introduction of mandatory conditionalities to facilitate technology transfer, exploit further research and innovation and build the necessary capacities and technical competencies of LDCs.

Rationale: The market access route to technology transfer has not historically worked well and, therefore, mandatory conditionalities in private sector partnerships to ensure transfer of technological capacity to state agencies and domestic industries is extremely important. China's success story demonstrates the importance of mandatory conditionalities for technology transfer in order to build capacities in frontier tech such as AI. China is set to become the world leader in AI technologies, thanks to policies that have built the capacities of domestic firms.

#### Section. Productive capacity building

#### Suggestion 12

Para 122. Targets:

- Generate quality employment opportunities and increase labor productivity by 50 per cent by 2031
- Substantially increase economic and export diversification with a view to reaching the level of other developing countries in export concentration by 2030.
- Promote inclusive and sustainable industrialization and, by 2030, double industry's share of employment and gross domestic product in LDCs.
- Achieve full and productive employment, decent work, and labor rights protection for all women and men, including for young people and persons with disabilities, in all LDCs by 2030, in accordance with SDG 8.

**Rationale**: The realities of employment in the platform economy require an overhaul of national policies and laws to ensure that the rights of workers in new value chains are protected. Agenda 2030 commitments exhort member states of the UN to:

- Promote development-oriented policies that support productive activities, decent job
  creation, entrepreneurship, creativity and innovation, and encourage the formalization and
  growth of micro-, small-, and medium-sized enterprises, including through access to financial
  services.
- By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

#### Suggestion 13

Para 128. We will promote micro-, small-, and medium-sized enterprises by ensuring full and equal access to financial services and products, supporting them to enter into national, regional and global value chains and support them for digitalization, acquire digital and data capabilities and tap tapping the potentials of e-commerce for enhanced competitiveness in the global digital economy.

Rationale: For Micro, Small and Medium Enterprises (MSMEs) in LDCs, access to platform, data, and Al infrastructure is non-negotiable for leveraging the potential of e-commerce. Without such access, MSMEs, particularly those that are run by women, are not likely to be able to have the competitive edge to enter the export market.

#### **Section: Support private sector development**

#### Suggestion 14

Para 151. Target: Create an enabling environment for private sector development.

- Ensure full and equal access to financial services and products for MSMEs, including insurance, and improve financial literacy, especially for women. (IPoA, 2011, Addis Ababa Action Agenda, 2015).
- Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation (Target 8.3. Agenda 2030), and the growth of the domestic digital industry.

Rationale: Target 8.3 of SDGs.

#### **Suggestion 15**

Para 152. We will promote an enabling environment for private sector development including for MSMEs through a transparent and rules-based regulatory framework simplifying business regulations and processes, reducing and streamlining administrative formalities, improving supply chain, ensuring access to market, reinforcing cooperation and building capacities to implement effective competition policies, and adopting open, transparent and clear regulatory frameworks for business and investment, with protection for property rights, land rights and intellectual property rights, as appropriate, and as per national circumstances, and with necessary public interest exemptions.

Where appropriate We aim to strengthening regulatory frameworks to better align private sector incentives with public goals, including incentivizing the private sector to adopt sustainable practices, comply with the UN Guiding Principles for Business and Human Rights, and foster long-term quality investment.

**Rationale:** Regulatory conditions to attract private investment need to be qualified by public interest exemptions. Regulation also needs to ensure that businesses mandatorily comply with the UN Guiding Principles for Business and Human Rights.

#### Suggestion 16

Para 154. We commit to promoting public-private sector dialogues and strengthening cooperation for cross-fertilization of experiences and dissemination of best practices that foster entrepreneurship, promote business-to-business dialogue and contacts, and stimulate transfer of skills and technology. We also commit to encouraging effective dialogue among governments, workers, and employers, in line with the ILO's principles on social dialogue and tripartism to promote decent work for all and to promote MSMEs for galvanizing employment.

**Rationale:** In the post-Covid context, rising precarity and vulnerability of majority workers in LDCs, the decent work agenda and tripartite dialogue assumes significance. It is also vital that employment opportunities are catalyzed through commitment to the MSME sector that presents maximum opportunities for employment in LDCs.

#### **Suggestion 17**

Para 158. We are concerned that the rising protectionist tendencies and shifts towards plurilateral, bilateral, and regional trade agreements are threatening to further weaken the multilateral trade system role of the World Trade Organization as the central governing body for global trade. This, in turn, could lead to an increasingly polarized and fragmented international trade landscape in the coming decades which would be harmful for the LDCs.

**Rationale**: While there are protectionist measures that impact LDCs adversely, the exercise of national policy space for developmental needs cannot be categorized as "protectionist" and a distinction needs to be drawn.

#### **Section: E-commerce**

#### Suggestion 18

Para 191. We note that the pandemic has highlighted the importance of digital technologies in general, and e-commerce in particular, as tools for continuing economic activity during the crisis. E-commerce in the form of business-to-business (B2B) and business-to-consumers (B2C) combined with secure mobile platforms fundamentally and profoundly reduce the matching costs by which buyers and suppliers can meet, connect, and create profits within the country and across the borders. This can speed-up economic adjustments to shocks like Covid-19 and many other profound economic, environmental, and geo-political shocks that a country may face in the coming years. Despite huge potentials, LDCs have not been able to benefit from the opportunities offered by the e-commerce due to lack of necessary digital infrastructure and logistical facilities as well as regulatory and policy frameworks and regional and plurilateral trade agreements that have tended to reduce their policy space to preserve and promote their domestic digital interests.

**Rationale:** The plurilateral negotiations pose a problem, as the push by a set of powerful entities and a handful of countries for unrestricted cross-border data flows, hyper-liberalization of e-commerce, and extension of the moratorium on customs duties on electronic transmissions are not conducive to LDC interests.

#### **Suggestion 19**

Para 192. Target: Substantially increase e-commerce in LDCs by strengthening ICT autonomous

platform, data, and Al infrastructure and building their capacities to enter into digital value chains

**Rationale:** Same as for Para 97. Autonomous platform, data, and AI infrastructure is a precondition for development in the digital paradigm.

#### **Suggestion 20**

Para 193. We will promote e-commerce in LDCs by building digital ecosystem and providing capacity building support. We urge the development partners to provide additional and substantial support to LDCs to build required infrastructure in energy, electricity, internet penetration; data protection; and infrastructural and policy capabilities for digital sovereignty; upgrade workforce skills; ensure affordable and reliable access to broadband and mobile networks and Wi-Fi connectivity; facilitate mobile banking with low or no fee of digital payment; build the ability of LDCs suppliers to participate fairly in, and establish their own, e-commerce platforms to directly trade their goods and services; strengthen productive capacity and structural transformation along with transparent and fair regulations for promoting e-commerce and integration of LDCs in the global economy.

**Rationale:** Jurisdictional sovereignty over data resources is important to carve out <u>domestic digital</u> <u>industrialization pathways</u>. Of course, the assertion of state sovereignty over cross-border data flows must be within the remit of the right and duty of development. Typically, in e-commerce agreements, states are allowed to restrict cross-border data flows for reasons of privacy protection but not on other grounds. For LDCs, the importance of claiming sovereignty over data resources is as important as the quest for sovereignty over natural resources to prevent extractivism of transnational capital.

#### **Suggestion 21**

Para. 242

#### Target:

- Increase tax revenue as a proportion of gross domestic product to at least 15 per cent.
- Enhance international cooperation for the recovery of stolen assets and their return to the country of origin.
- Establish a UN Tax Convention to comprehensively address tax havens, tax abuse by multinational corporations, and other illicit financial flows through a truly universal, intergovernmental process at the UN, with broad rights holders' participation.

Rationale: The rapidly growing digital economy and the increasing importance of e-commerce require a complete overhaul of the international tax system. Unless the failures of the current framework are urgently addressed, countries will continue to lose billions of public revenue dollars due to illicit financial flows. This will increase the already unsustainable debt levels and undermine governments' abilities to respond to the crisis, while also decreasing the public revenue base of developing countries. We endorse the demand by Third World Network and Social Watch for a new UN Tax Convention that will effectively address tax abuse and illicit financial flows.

#### Section. Availability and use of data

#### Suggestion 22

Para. 291 We commit to scaling up financial support, equipment and infrastructure, and technical assistance for appropriate policies and practices centered on public accountability frameworks,

**including in big data partnerships** to strengthen capacities of national statistical offices of LDCs and fill data gaps with responsible, open and inclusive data. In this regard, we recognize that civil registration and vital statistics systems and geospatial information sources must be a priority to prepare for future disasters and make progress on the SDGs.

**Rationale:** As big data methods become more commonplace in addressing SDGs, it is vital that any form of international cooperation in this domain respects the human rights of people, who in majority instances are likely to be from LDCs. Scholars point to how international aid projects for humanitarian services that deploy big data and AI techniques can undermine the rights of vulnerable and marginal beneficiaries such as refugees, asylum seekers, and migrant workers.

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