

Preface

THE OECD PROVIDES AN INCLUSIVE FORUM TO SHAPE A GLOBAL DIGITAL FUTURE

Digital transformation presents policy makers everywhere with challenges that transcend borders. While the transformation was underway before COVID-19, the pandemic significantly accelerated it around the world. Seizing the opportunities of the accelerating digital transformation, while better managing the associated and growing risks, challenges and disruptions requires a strong evidence base, leadership by public administrations, and extensive international co-operation and global engagement. Countries are increasingly looking to international institutions as sources of advice and forums to debate and design policy frameworks for the digital age. These must draw on the best practices of countries furthest ahead in their digital transformation journeys, while considering the divergent realities in countries less prepared to benefit from digital technology.

For decades, the OECD has supplied evidence-based policy advice to members about the evolving impacts of digital technologies on economies and societies, and has contributed – including through engagement with the G20 – to expanding the reach and relevance of its policy advice beyond its membership. From the foundational Privacy Guidelines agreed in 1980 to the 2019 OECD Council Recommendations on Artificial Intelligence

(AI) that provided the basis for the G20 principles for AI, broadband development, digital security, children in the digital economy, and enhancing access to and sharing of data, the OECD has been a frontrunner in this space. OECD leadership through the Going Digital project helps countries within and outside the OECD's membership to keep pace with changing technology and work with the private sector, trade unions, and community and technical stakeholders to harness digital transformation. The OECD was instrumental in designing and delivering the landmark tax deal agreed between 136 countries and jurisdictions based on the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) to address the tax challenges arising from the digitalisation of the economy. More than 60 developing countries played a key role in negotiations shaping the outcome.

To continue to meet the evolving demands of the digital age, we must build on recent successes to work with all countries, private-sector and trade union partners, and technical and civil society organisations to address stark digital divides. In 2021, 90% of people in developed countries used the Internet, but just 57% of people in developing countries enjoyed the same privilege (ITU Statistics Database). OECD countries have an average of 118.3 mobile broadband subscriptions per 100 people, while in non-OECD countries the average is 56 per 100 people (OECD Broadband Portal and ITU Statistics Database). This highlights the importance of bridging infrastructure

investment gaps and making infrastructure governance a priority. And while connectivity infrastructure is crucial, other barriers keep groups locked out of digital prosperity, forfeiting potential productivity and revenue gains. In 2019, only 15% of women in least-developed countries used the Internet, compared to 86% in developed countries (ITU Bridging the Gender Divide, 2019). Over the last decade, gaps in Internet usage by gender, age and education level threaten the ability of digital transformation to deliver broad-based and sustainable improvements to growth, well-being and development across countries.

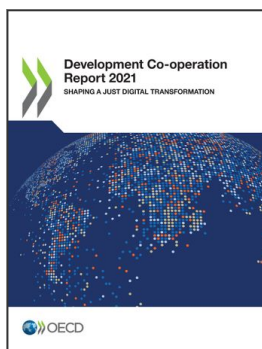
The OECD is well-placed to support countries to overcome these digital divides in two ways. First, we gather and share lessons from member countries and produce new research and evidence to inform best-practice policy advice that countries around the world can leverage to accelerate their digital transformation. Second, the OECD is a forum for inclusive debate and the formation of new policy, governance and co-operation frameworks that take all countries' digital realities into account. Our work on issues like enhancing digital security, data protection, cross-border data sharing, online

safety, countering mis- and dis-information, and the rise of autocracy, identifying and agreeing on solutions that lead to progress in all countries, including those that are furthest behind, will strengthen resilience and prosperity for all in our interdependent world.

The breadth of evidence in this report highlights that digital transformation is not merely a technological process. Resolving the complex issues this process raises will require values-based decisions about the kind of digital future we want to create. The shared values of the OECD – democracy, rule of law, gender equality, human rights – and our commitment to open and transparent market-economy principles and high standards in the digital economy, can help stakeholders navigate this rapid transformation, keeping global goals for sustainable development squarely in view and within reach.



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