



## **Economic and Social Council**

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### **Commission for Social Development**

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**Follow-up to the World Summit for Social  
Development and the twenty-fourth special session  
of the General Assembly: priority theme: strategies  
for the eradication of poverty to achieve sustainable  
development for all**

### **Statement submitted by the World Organization of Governance and Competitiveness, a non-governmental organization in consultative status with the Economic and Social Council\***

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

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\* The present statement is issued without formal editing.



## **Statement**

### **DIGITAL ECONOMY DRIVES PROGRESS TOWARDS THE POVERTY REDUCTION**

The United Nations 2030 Agenda for Sustainable Development, including its 17 Sustainable Development Goals, is the most ambitious development framework ever agreed to, to deliver a world free of poverty and hunger, where economic growth is socially just and environmentally sustainable, where everyone has a longer, healthier and prosperous life, where gender inequalities are abolished and peace and equal opportunities for all reign all over the world.

#### **New Globalization**

This transformation is nothing short of a revolution in the way the world develops a new inclusive, holistic and moral globalization called sustainable development where economic growth is socially just and environmentally sustainable. The very nature of globalization is changing from “economic growth at any cost,” which has delivered economic growth but at enormous cost of rising inequalities of income, massive environmental degradation and divided societies, to sustainable development where every one of the UN Member States will benefit from globalization combining economic, social and environmental objectives.

With the free flow of goods and services having ebbed in the aftermath of the 2008 crisis, the free movement of people becoming a lightning rod issue in recent elections, with the benefits of the old globalization itself having been shared unevenly, digitalization and the seamless flows of information and ideas across borders are forging a new world that is more interconnected than ever, with digital economy increasingly at its heart. It is moving away from a global order centered around few powerful financial institutions and trade platforms toward a more decentralized and democratic order which empowers individuals to participate in the global economy directly through embedded transparency, accountability and inclusiveness mechanisms.

#### **Current Context for Sustainable Development**

The world’s current trajectory to achieve the SDGs is deeply concerning. The Secretary-General’s 2017 report on “Progress towards the Sustainable Development Goals” quantifies the scale of the transformation needed to end poverty and hunger.

Firstly, it shows that social progress is too slow for too many people. Though the global poverty has been halved since 2000, every country has achievement gaps, and intensified efforts are needed to boost the incomes, alleviate the suffering and build resilience of those individuals who still live in extreme poverty, in particular in sub-Saharan Africa, Oceania and South Asia where an estimated 767 million people still lived in 2013 below the international poverty line of \$1.90 a day and 42% of people in sub-Saharan Africa continued to subsist in conditions of extreme poverty.

Second, current growth is unsustainable. Previous industrial revolutions advanced economic development but have largely come at the expense of the planet. Scientists at the Stockholm Environment Institute have identified that four of the nine Earth Planetary Boundaries have already been crossed, namely climate, biodiversity, land-system change and biogeochemical cycles thus placing the Earth’s systems under unprecedented stress. At the same time, global economies will waste an estimated \$4.5 trillion worth of material value by 2030 by failing to recycle or recover valuable resources in their supply chains.

Third, the world is heading towards dangerous average global temperature rises. 2016 was the hottest year on record, carbon dioxide levels at record highs and sea levels rise at about one-eighth of an inch each year thus generating new waves of economic migrants.

### **Reshaping Value Chains and Creating New Hubs of Economic Activities**

Humanity is at an important moment in history. To fill the current gaps in the achievement of the SDGs every country must accelerate its pace of sustainable development, with the least developed, small islands developing States and low income developing countries having to make the largest strides to achieve their SDGs.

A recent report published by GeSI and Accenture noted that with only 15 years to meet the SDGs there is need for efficiency and impact that digital solutions are uniquely positioned to deliver. Digital economy offers a huge potential to transform and realign our societies and economies. It has the potential to reconcile economic growth with social progress and environmental protection and to eliminate poverty.

Today, the world is experiencing an unprecedented growth in the amount of data that is being produced. Experts predict that data generation will increase 4,300% annually by 2020. With over 95% of the world's population residing within coverage of a 2G mobile network and new ways to connect (white space, unused broadcasting frequencies etc.) the opportunity for using digital economy to transform the way the poor live and access information and services cannot be understated.

Digital economy holds the key to building an inclusive global prosperity and has a tremendous untapped potential to bring innovations like artificial intelligence, cloud technology, autonomous vehicles, virtual and augmented reality, robotics, blockchain technologies, 3D printing and the Internet of Things to the bottom billion and make them secure and transparently accountable to the world's citizens. Digital solutions can diffuse quickly across the borders and all sectors reaching people in all income brackets, they genuinely put people at the heart of products and services with better experience, reduced cost and improved sustainability and they make a good business sense with a plethora of new business models springing up and creating new markets.

GeSI and Accenture research found that digital economy could unlock \$9 trillion in economic benefits globally in 2030, saving consumers, businesses and governments around the world over \$4.6 trillion while generating \$4.5 trillion of new income in industries like, agriculture, retail, education, renewable energy and mobility.

Digital economy enhances operational efficiency, including improved uptime and asset utilization. It allows businesses to shift from products to outcome based services, such as guaranteed machine uptimes in factory floors and guaranteed crop yields in a specific parcel of farmland. Zero-cost digital distribution today enables products and services to penetrate the mainstream and 'go global' in a matter of months. On-line banking and banking through smart devices will mean the inclusion of millions in the financial system. E-work will fundamentally change the way people work in the knowledge economy, anywhere and anytime. All digital solutions will transform production and consumption patterns. Smart manufacturing, including through Industrial Internet of Things, Machine-to-Machine, 3D printing, cyber-physical systems, data-analytics and cloud computing, drones and robotics, and embedded system production technology will drive productivity and present new opportunities for people to enhance skills. Digital economy will also create new types of jobs. The growing use of digital labor in the smart sensors, intelligent assistants and robots will profoundly transform the skill mix and focus of the work force and thus contribute to long term job growth.

### **Challenges and Recommendations**

The sustainable development agenda raises several priorities and challenges for digital economy. To meet them WOGC recommends the following measures: connectivity and access for all, research on new ways of connectivity, affordability of Internet-enabled services and devices, reliability and resilience to secure uninterrupted access to broadband networks, enabling legal and regulatory environment, transferable content and applications to ensure a free flow of information and exchange of knowledge, ICT capacities and specific skills for all and more reliable data.

For governments and policy makers, it is vital to be aware of the potential of digital economy and of enabling mechanisms that could be put in place for digital economy to be a sustainable revolution.

### **The Role of WOGC**

WOGC has made the SDGs its central framework for action. The organization continues to be one of the leading NGOs practically involved in delivering, to the Least Developed Countries, Small Islands Developing States, land-locked developing countries and other developing countries, practical and transferable benefits of digital economy, competitiveness and good governance. It will endure to advocate with UN Member States for digital economy to be recognized as the main driving force of sustainable development.

Through its interactions, WOGC will continue to be a significant source of information on best practices in digitalization. The organization commits to assist Governments in raising investment and scaling up digital projects to achieve the SDGs. WOGC consistently works with its 2 million corporate members to realize a twin goal of transforming national economies from their physical past into a digital future and growing their businesses.

WOGC will complement UN efforts to achieve the SDGs, by ensuring digital solutions to building affordable housing, promoting green agriculture, healthcare and education for all, digital financial institutions, establishing self-reinforcing ecosystems, fostering smart societies of the future, attracting global investment and talent and exporting digital innovations globally.

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