Submission to the Global Digital Compact

Apply Human Rights Online

South Centre

Geneva, April 2023

The South Centre is the intergovernmental organization of developing countries that provides them with support to combine their efforts and expertise to promote their common interests in the international arena. The South Centre was established by an Intergovernmental Agreement which came into force on 31 July 1995. Its headquarters are in Geneva, Switzerland and is currently comprised of 55 developing countries from all regions of the developing world.

The South Centre's Board approved in September 2022 its Programme of Work 2023-2025 where the policy dimensions of digital transformation are highlighted as one of the priority areas for developing countries, including the need to harness digital technologies in education, health and the production of goods and services, support the development of a domestic digital industry, improve their digital infrastructure, advance digital equity and inclusion, effectively tax the digital companies and contribute to shaping the digital governance architecture to advance the Sustainable Development Goals (SDGs).

Following the call made in the Declaration on the Commemoration of the Seventy-Fifth Anniversary of the United Nations (A/RES/75/1) for improved digital cooperation, the United Nations (UN) Secretary General's Roadmap for Digital Cooperation and his report 'Our Common Future', the South Centre submits the following written contribution to the UN Secretary General ahead to the Summit of the Future with the objective of providing support to developing countries in the intergovernmental process concerning the digital transformation.

Background

The Declaration on the Commemoration of the Seventy-Fifth Anniversary of the United Nations, adopted by the General Assembly, which made a call to improve the digital cooperation among all countries and regions of the world, recognised the need to achieve a digital future that, inter alia, allows for the full potential of beneficial

technology usage while addressing digital trust and security, with the objective of accelerating the realization of the 2030 Agenda.

Achieving digital transformation in the current world scenario requires not only to consider this issue from a technical perspective. As evidenced by the COVID-19 pandemic, growing inequalities in human development have hit the most vulnerable people and highlighted the need to promote social sustainability and inclusion as a cornerstone for achieving the transformation of society. This requires, among other actions, identifying innovative solutions for tackling the unique challenges faced by developing and least developed countries on the path to digital transformation, including by seeking the best means for the improvement of human conditions that allow a broader understanding of development for the promotion, protection, and fulfilment of all human rights.

The need for enhancing digital literacy for promoting justice, equity and development for all requires States to fulfil their duty to cooperate internationally. Similarly, such cooperation will be needed to guarantee the rights to privacy and not to be profiled, to personal safety and security, to connectivity and to digital self-determination. In line with these objectives, the South Centre submits the following inputs in relation to the recognition and implementation of human rights online.

1. Digital rights at the core

It would be impossible to achieve the objectives set out in any instrument dealing with the issue of digital transformation without looking at its linkages with the obligation to guarantee the full implementation and protection of human rights by States and other stakeholders, including businesses. Those rights are not only limited to civil and political rights, including the right to freedom of expression, privacy and personal security, but also include other set of rights whose realization requires access to electrical power, electronic devices, communications networks, online services as well as digital literacy.

Digital transformation goes beyond interpreting existing human rights as an extension to the internet age; it demands a broader and more differentiated approach. On the one side, peoples and countries differ in their levels of development, access to technology, values and culture. Thus, the existing digital divide is not explained only by the lack of access to technology and information, but it has deeper roots involving failures and gaps in the realization of fundamental rights, such as the right to education and culture, and the right to enjoy scientific progress. On the other, the digital environment creates unprecedented situations and risks that require the definition of a new sub-set of human rights.

In line with this reality, the Global Digital Compact should recognise that human rights are at the core of the digital transformation, which not only implies expanding the interpretation of existing human rights to the digital transformation, but identifying the gaps in human rights law that need to be addressed to guarantee that the digital

transformation benefits the world population without discrimination on the basis of income, gender, race and ethnicity, disability, access to education or age.

1.1 Policy recommendations

- **Universal and equal access to digital tools and communications networks:** the recognition of the digital divide as one of the major challenges to achieving digital transformation for all requires ensuring universal and equal access to digital tools and online networks to all, including by promoting universal access for persons with disabilities.

- **Privacy and data self-determination:** personal data and information should not be used for the financial gain of digital service providers; an international framework needs to be developed ensuring not only the rights to privacy and not to be profiled, but the rights to personal safety and security, to connectivity and digital self-determination.

- **Protection of people and communities facing barriers:** Ensuring the protection of children, women, persons with disabilities, indigenous peoples, and other people facing barriers is necessary to sustain and guarantee human rights in the digital transformation. Securing participation through safe and universal access to digital tools and networks of these communities are just some of the fundamental aspects of these principles, whose implementation also requires the commitment of States to developed cooperation mechanisms for sharing technologies and attaining digital literacy.

- **Fighting against poverty and inequality:** Social sustainability and inclusion should become a critical pillar for digital transformation. This requires seeking the best means for the improvement of human conditions for a just digital transformation- for example by guaranteeing the attainment of economic, social and cultural rights, and the right to development. Digital transformation as a tool for achieving social inclusion, requires the full implementation of all human rights so as to ensure an effective, accountable and inclusive process of digitalization.

2. Digital transformation and climate action

The potential of digital transformation for climate action is vast. The possibility of using data to analyse the effects of climate change in specific geographical zones, or in economic sectors, as well as the exchange of information among different regions of the world through improved connectivity are complementary means to achieve higher technical performance in climate action. Nonetheless, digital transformation demands large amounts of energy, and must also be efficient to contribute to a sustainable development. There is therefore a need to improve the access to clean and affordable energy in developing countries while having in view the socio-economic needs and development strategies of each society.

Likewise, taking track of digital innovation should consider the need for making technology more sustainable in the long term. While digital software innovation can strengthen climate action by promoting more efficient use of energy, the continuous innovation of hardware and production of short-life devises promote high-intensive extraction of rare minerals and increases e-waste, which in turn increases the pressure on the environment.

2.1 Policy recommendations

- **Energy transition is necessary for inclusive digital transformation:** Guaranteeing access to affordable and renewable energy is necessary to achieve inclusive digital transformation. This objective requires to consider the specific challenges faced by developing countries, including their social and economic needs; actions to achieve a transition to clean and renewable sources should be consistent with the principles of equity and common but differentiated responsibilities included in the UNFCCC.

- **Finance and international cooperation:** Constraints in finance for development, including to address climate change, is one of the most relevant issues for developing countries today. It needs careful attention to avoid that Investment directed towards digital transformation has the perverse effect of increasing the indebtedness of those countries.

- **Reducing planned obsolescence:** It is crucial to reduce planned obsolescence of technology, in particular by promoting long-life technology and facilities to repair digital devices. In the short term, limiting planned obsolescence could make access to technology more affordable, while promoting sustainable consumption. In the long term, increasing the use of digital hardware could reduce the pressure on extraction of rare minerals, and e-waste.

3. Digital transformation and labour rights

The continuing impacts that the COVID-19 pandemic has had on economic, social and cultural rights have highlighted the non-monetary dimensions of the crisis, in particular with respect to lost learning of young students, strained health care systems, reduced household incomes, constrained structures for income support and lack of employment security.

The path towards digital transformation will impact the labour market, particularly in those sectors where digital technologies and equipment can replace human labour, or repetitive task can be automated. Notably, digital innovation has not produced the expected spill overs in productivity *and* decent work in developed and developing countries alike; on the contrary the digital divide has increased the inequality and development gap between the developed and developing world, including by undermining legal labour standards.

While the labour displacement effect linked to digital technologies has been reflected in the production of goods, the services sector is only now identifying the benefits and

setbacks that newer technologies, including artificial intelligence and machine-learning technologies, could bring to the formal labour market. In addition, the platform economy based on digitalisation, has led to the deterioration of the employment situation of individuals occupied in some sectors, with jobs that become precarious due to increased flexibility and reduction of the social benefits associated to the formal labour market.

Finally, the energy transition required to achieve the objectives set out by the climate agenda in the context of digital transformation should minimize the challenges that workers might face, while maximizing its benefits towards achieving a just transition that guarantees the creation of decent work and quality jobs in accordance with nationally defined development priorities, and the principle of common but differentiated responsibilities and respective capabilities included in the Climate Change discussion.

3.1 Policy recommendations

- **Digital literacy and upskilling initiatives for digital transformation:** digital literacy is essential for achieving inclusive digital transformation. Guaranteeing basic education is the first step to achieve this objective, but continuous training and capacity building is necessary to guarantee higher quality jobs in the medium to long term. Digital transformation also requires the planning and implementation of upskilling strategies for reducing the effects of digital transformation on displaced workers.

- **Respect of local conditions and nationally defined development priorities:** labour policies must consider local conditions and approaches to achieve the nationally defined development priorities. Such policies must respect human and labour rights, in particular social protection schemes that guarantee resilience in the face of digital transformation.

- **Overcoming the digital divide:** there is a need to address the current digital inequalities, including those related to access to digital technologies and the lack of skills to use them and reap the potential benefits derived from their use. Broader attention should be given to address digital inequalities, by enhancing public participation in decision-making; including by groups facing identified challenges, can play an important role towards a fair and inclusive digital transformation.

4. The need for strengthened multilateralism and international cooperation

The discussion on the Global Digital Compact should strengthen multilateralism through an intergovernmental process that protects the voices of developing and least developed countries, which are the ones facing major hurdles originating from the digital divide. The discussion on the Global Digital Compact should avoid becoming a platform for promoting the interests of major tech companies and firms; it should rather enhance the opportunity to participate by civil society and communities that are facing the challenges of digital transformation. The process should guarantee a

State-led open discussion while identifying any conflict of interest that could undermine the development of an outcome guided by the global public interest.

Public and private partnerships can be in some instances a useful tool to support an inclusive digital transformation, but they are not a panacea nor an instrument that can always respond to the public needs. Strengthening public participation and oversight of public-private partnerships, guided by strong principles of transparency and the protection and respect for human rights, is necessary to support the transfer of technology, skills and knowledge needed to promote an inclusive digital transformation.

4.1 Policy recommendations

- **Avoiding and limiting conflict of interest:** The Summit for the Future should strengthen the role of states as owners of the process. A clear policy to appeal and challenge the participation of certain stakeholders that have a conflict of interest in decision-making is necessary. Following the example of other multilateral and state lead processes, such as the WHO Guidelines on the protection of public health policies with respect to tobacco control from commercial and other vested interests could be useful.
-
- **Promoting business accountability in digital transformation:** The adoption of a legally binding instrument on business and human rights -currently under negotiation in the Human Rights Council- can support the objectives to be set out by the Global Digital Compact by strengthening access to information for victims of human rights violations and harmonization of rules for mutual judicial cooperation in cases involving businesses operations.