Task Force 06
STRENGTHENING MULTILATERALISM AND GLOBAL GOVERNANCE

Advancing Global Digital Policy with Data Priorities for Collection and Interoperability

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Abstract

Reliable and comprehensive data is a key precondition for informed policy making on national, regional, and global levels (OECD 2020). Policymakers require data not only to understand their challenges and opportunities but also to evaluate the impact of their existing policies and initiatives.

This proposal calls for the G20 to prioritize data collection and interoperability, specifically for research, development, and policymaking purposes, by supporting governments in their data collection efforts. Such support would not only help countries' inclusion in existing benchmarking tools but also the development of more local versions of these. Such tools not only serve as instruments for assessment but are widely employed by numerous governments as roadmaps for informed policymaking. They provide a comprehensive, data-driven perspective, which is especially vital for less developed economies striving to navigate the complex digital age.

However, a real challenge exists with data coverage, with numerous countries (60+ out of the 195 in the case of the Network Readiness Index) being excluded from the assessment due to a lack of data (Portulans Institute and Said Business School, University of Oxford 2023). Those excluded are mainly developing economies, with the greatest need for data to remedy pressing development challenges (Runde 2022).

To address this gap, we advocate for a concerted effort to support these economies in obtaining the necessary tools, processes, and knowledge in a sustainable way. By doing so, the G20 can champion a more cooperative, inclusive, and informed global policy-making environment, where data becomes a catalyst for purposeful decision-making at all levels of development. Furthermore, this proposal lays the groundwork for exploring the design and implementation of new tools capable of fulfilling the original purpose of these composite indices, but with enhanced sophistication through the utilization of cutting-edge technological tools and infrastructures.

Diagnosis of the Issue

Global indices and composite indicators serve as indispensable tools for assessing economic and social development and informing policymaking at national, regional, and global levels. By offering benchmarks against other economies, facilitating comparative analysis across years, supporting future scenario building, and pinpointing areas ripe for improvement, these indices contribute to accountability and facilitate evidence-based informed policy formulation (United Nations 2023). This helps policymakers allocate resources effectively, particularly in resource-constrained environments.

Inclusion in regional and global indices elevates a nation's profile in the international economic arena, attracting foreign investment and expanding trade opportunities. It instils investor trust by signalling market stability and transparency, encouraging greater capital inflows (Lienin 2020). Lastly, it enables the ongoing assessment and monitoring of policy implementation and development efforts ensuring alignment with desired outcomes of important national and regional efforts.

Further, this effort to strengthen data ecosystems is echoed in recognition of data as the digital infrastructure essential for underpinning sustainable development efforts, much like roads, bridges, and utilities constitute critical physical infrastructure (Rossini 2023). Unlocking the value of data is crucial for achieving Sustainable Development Goals (SDGs) as it enables targeted interventions, effective resource allocation, and evidence-based policymaking. While global efforts are concentrated on achieving the SDGs collectively, the individual role of countries in this endeavor cannot be overstated. National governments, acting as the primary implementers of policies and interventions related to the SDGs, find their success heavily reliant on their data infrastructure. Thus, enhancing these capabilities not only contributes to the global agenda but also ensures the

success of national strategies towards sustainable development.

The absence of certain countries from these indices presents significant challenges, particularly for those excluded, often least developed nations in dire need of data and guidance for more efficient resource allocation. These exclusions are rooted in several factors including:

● Lack of adequate digital infrastructure: Many countries face missing connectivity or even electricity issues, hampering data collection efforts (Runde 2022).

● Insufficient knowledge, human resources, and skills: The lack of data collection or analysis expertise, including the lack of qualified data analysts (Runde 2022). ● Absence of modern data generation tools: Outdated technologies impede efficient data collection and analysis (Committee) 2023).

● Financial constraints: Data collection requires substantial financial investment, which may conflict with other national priorities. For instance, collecting the indicators needed to track the SDGs incurs significant costs, estimated at billions of dollars, necessitating sustained financial commitment (Global Partnership for Sustainable Development Data 2016).

● Communication gaps: Disconnects between data collection entities and publishing organizations result in inconsistent or inadequate reporting (Rahman 2022).

● Methodological challenges: Varying reporting obligations and institutional hurdles make it difficult for countries to meet inclusion requirements (Runde 2022).

These challenges are exacerbated when attempting to measure digital readiness or innovation, which are often viewed as elusive targets. As nations try to keep up with rapid digital evolution, conventional metrics often become obsolete in accurately reflecting new trends.

Many economies in the Global South, with a notable emphasis on those in Africa, face significant challenges in effectively collecting, managing, and utilizing data, as highlighted by the UNCTAD Secretariat (UNCTAD 2023). The 2023 Network Readiness Index (NRI) specifically identifies countries like Congo, Sudan, Sierra Leone, Gabon, Turkmenistan, and Belize as exemplifying these challenges. These difficulties arise from a lack of technical capacity, limited financial and human resources, and fragmented data ecosystems, which severely restrict the ability to make informed decisions and accurately monitor developmental progress. In the context of less developed economies, such benchmarking tools are especially critical. These countries face unique challenges, and data-driven perspectives would allow them to navigate complexities efficiently.

International organizations play a crucial role in addressing challenges related to data ecosystems, providing essential support to local economies in crafting tailored interventions and achieving sustainable development goals. This collaborative effort will enhance data handling capabilities, promote a unified approach

to overcoming global data disparities, and foster inclusive development strategies. By bridging gaps in data availability and addressing barriers to inclusion, policymakers can work towards a more equitable and sustainable future, ensuring comprehensive global representation and collective progress.

To enhance data collection practices and facilitate inclusion in regional and global indices of economies with low data coverage, the G20 should consider the following policy recommendations:

● **Develop a Standardized Roadmap for Data Collection and Analysis:** Establishing a standardized data collection and analysis framework will provide a clear and consistent approach for developed countries to follow, ensuring comparability and compatibility across different regions. Further, this would facilitate collaboration, reduce duplication of efforts, and allow for more efficient analysis. This roadmap should outline the objectives, methods, and minimum tools required for effective data collection, ensuring alignment with international standards and best practices. By providing a structured guideline, countries can streamline their data collection efforts and enhance their readiness for inclusion in regional and global indices.

● **Tailor Approaches for Nuanced Economies:** Recognizing that some economies may require specific processes due to their unique circumstances, the G20 should support the development of tailored approaches on a case-by-case basis. This ensures that strategies for data collection and analysis are adapted to each country's specific needs and challenges, promoting inclusivity and equitable participation in regional and global indices.

● **Refine Local Practices for Data Capture and Analysis:**
Understanding and improving local data capturing practices is critical for enhancing digital readiness. The G20 should support initiatives highlighting successful data collection and analysis methodologies developed or adopted by economies. By sharing

best practices and lessons learned, these economies can enrich the diversity of approaches to digital readiness measurement and promote the adoption of effective strategies worldwide.

● **Streamline Data Production and Analysis with Advanced Tools:** Investing in advanced technologies such as Artificial Intelligence (AI), cloud computing, and big data frameworks can revolutionize data collection and analysis processes. By providing support for the adoption and implementation of these tools, the G20 can enhance the efficiency, accuracy, and timeliness of data production and analysis, ensuring that collected data is current, actionable, and aligned with global standards.

● **Improve the Measurement of Local Capacities:** Understanding how local capacities are currently measured is crucial for providing adequate interventions. The G20 should prioritize refining existing metrics and developing new ones tailored to capture the unique aspects of each country's ecosystem. By improving the measurement of local capacities, countries can better understand their strengths and weaknesses, enabling targeted interventions and policy improvements.

● **Enhance Timeliness of Data Reporting and Capturing:** Advancing the promptness and precision of data reporting and capture is essential for keeping pace with rapid digital transformations. By innovating tools and methodologies for real-time or near-real-time insights, the G20 can ensure that international benchmarks remain relevant and reflective of current developments. This will enable countries to make informed decisions and respond effectively to emerging challenges and opportunities.

● **Leverage Local Innovations as a Basis for International Best Practices:** Collaborating on innovative tools, indicators, and composite indicators that reflect each country's digital landscape can drive meaningful data collection and analysis progress. The G20 can influence international best practices and promote a model that integrates

local insights with global measurement standards by showcasing these advancements as examples of state-of-the-art methodologies. This approach ensures that data collection practices are contextually relevant and aligned with the evolving needs of developed countries.

● **Capacity Building through Training Programs:** Recognizing the pivotal role of skilled professionals in data collection and analysis, the G20 should prioritize capacity-building efforts through comprehensive training programs. By investing in human capital development, countries can equip their workforce with the necessary skills and expertise to effectively collect, manage, and analyze data. These training programs should encompass a wide range of topics, including data collection methodologies, statistical analysis techniques, and data visualization tools.

● **Enhance Partnerships between State and Non-State Entities:** Acknowledging the wealth of valuable data collected by non-state entities and other international and local organizations, the G20 should prioritize efforts to strengthen partnerships between these and government agencies. Facilitating collaboration and data-sharing agreements between state and non-state entities can unlock vast reservoirs of valuable information for informed decision-making. By harnessing the expertise and resources of non-state entities, governments can augment their data collection efforts and gain access to diverse datasets.

Scenario of Outcomes

While the endeavor to enhance data collection and analysis capabilities is generally viewed as a low-risk pursuit with considerable benefits, it is imperative to recognize and address any potential challenges that may arise alongside these advancements. Only by addressing these challenges can the recommendations create positive outcome scenarios.

Standardization vs. Tailoring: Adopting a standardized roadmap for data collection and analysis raises concerns regarding the balance between standardization and tailored approaches, particularly for economies with more complex socioeconomic or political environments. While standardization promotes consistency and comparison ease, tailored approaches recognize the unique needs of individual economies. Rigid standardization can overlook important contextual differences, potentially hindering participation and resulting in fragmented data practices. Standardization efforts should consider regional nuances while striving for a globally harmonized approach. Striking a balance between uniformity and specificity is vital to avoid impeding progress or exacerbating disparities in data accessibility and quality.

Advanced Tools vs. Local Capacities: Investing in advanced technologies for data collection and reporting within the G20 may inadvertently overshadow efforts to enhance the measurement of local capacities. While advanced tools offer efficiency gains, evidence indicates that they may widen existing disparities, particularly in regions with limited technological infrastructure or expertise. Neglecting to bolster local capacities alongside technological advancements could perpetuate inequalities and hinder equitable participation in data-driven initiatives. Therefore, prioritizing a balanced approach that

integrates technological innovation with capacity-building efforts is essential for fostering inclusive and sustainable progress.

Timeliness vs. Accuracy: Enhancing the timeliness of data reporting through real-time insights poses a potential trade-off with data accuracy. While timely data is essential for informed decision-making, rushed data collection processes may compromise the integrity and reliability of datasets. Incomplete or erroneous data could lead to misguided policy decisions and ineffective interventions, undermining the overarching objectives of data-driven governance. Therefore, achieving a delicate balance between timely insights and data quality is imperative to ensure the effectiveness and credibility of policy responses. In addition, setting the appropriate data auditing mechanisms in place is pivotal for achieving this balance.

Collaboration vs. Control in Partnerships: Partnerships between state and non-state entities introduce complex considerations surrounding quality control and governance. While collaboration enriches data practices by harnessing diverse expertise and resources, it also raises concerns regarding data ownership, privacy, and accountability. Balancing collaboration with control is key to maximizing partnership benefits while ensuring transparency, data security, and ethics. Effective governance and clear responsibilities are crucial to mitigate risks and maintain data integrity.

Proactivity in Applying Standardization: The imperative for nations to remain proactive in applying standardized roadmaps to new and emerging indices underscores the dynamic nature of data governance. Adaptability and responsiveness to evolving measurement standards are essential for maintaining relevance and effectiveness in data-

driven initiatives. Continuous review and updates to standardized roadmaps, coupled with concerted efforts across governments, industry, civil society, and other stakeholders, are essential to ensure alignment with emerging indices and measurements. By prioritizing adaptability and collaboration, nations can effectively navigate evolving data landscapes and drive sustainable progress.

Concerted Effort for Implementation: Effective implementation of standardized roadmaps necessitates coordinated efforts across governments, industry, civil society, and other stakeholders. Evidence highlights the importance of engaging diverse perspectives and expertise to address complex challenges and ensure the successful alignment with emerging indices and measurements. Concerted efforts to cultivate collaboration, transparency, and accountability are fundamental for lasting progress in data-driven governance. By leveraging collective insights and resources, nations can overcome implementation barriers and achieve meaningful data collection and analysis outcomes.

Evolution of Tools: Integrating Traditional and Modern Approaches: The advancement of composite indicators and indices increasingly integrates innovative technologies, laying the groundwork for real-time performance measurement while retaining the strengths of traditional methods. Traditional data collection and analysis techniques, valued for their reliability, now combine with cutting-edge technologies like AI, big data analytics, and IoT devices. This integration promises dynamic, accurate insights for timely and informed decision-making. Importantly, modernized data practices must address the risk of widening digital divides. By establishing mechanisms for inclusive stakeholder engagement, these initiatives ensure that innovative technologies enrich the pursuit of sustainable development goals, bridging gaps rather than

exacerbating them. This balanced approach underscores the importance of integrating traditional methods with new technologies to advance equitable and comprehensive data-driven decision-making.

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