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Directorate-General for International Cooperation and Development
Directorate-General for Neighbourhood Policy and Enlargement Negotiations

The Directors-General



The Secretary General

JOINT NOTE FOR THE ATTENTION OF THE HEADS OF EU DELEGATIONS IN NEIGHBOURHOOD AND ENLARGEMENT, AFRICA, CENTRAL ASIA, MIDDLE EAST, ASIA, PACIFIC, AND THE AMERICAS

Subject: EU support for partners in the digital transformation

Following on from our notes on the pre-programming¹ process and the publication of the European Commission Communication “Shaping Europe’s Digital Future”², it is timely to provide you with further elements on the work undertaken at EU Delegations and at Headquarters to prioritise the Digital Transformation in our cooperation activities.

The ongoing COVID-19 crisis has served to underline the centrality of digital connectivity, technologies and services to our economy and society worldwide. Digital therefore remains, along with our response to climate change, the top priority for this College, and the EU intends to lead the transition to a healthy planet and a human-centric digital world. However, they also come with challenges and, if not used properly, could for instance cause harm to fundamental rights and freedoms or jeopardise future economic recovery. Digital decisions made by our partner countries now will impact for decades the economic development, resilience and security path of both the EU and our partners.

In addition to the full implementation of the Digital Agenda, the EU strategic objectives concerning the environment and climate as set out in the European Green Deal remain fully valid. Continued work on the Green and Digital Agenda will mutually reinforce each other, and help economies to emerge more resilient, green and connected from the short- and long-term challenges posed by the pandemic. The current crisis is also a reminder that the full implementation of the 2030 Agenda for Sustainable Development and the Paris Agreement remain crucial to help better equip the world for future systemic shocks.

The purpose of this note, drawn by DG DEVCO, DG NEAR & the EEAS, in cooperation with DG CONNECT and FPI is threefold:

- To provide you with the latest policy developments on digital transformation and how they will contribute to shape the relationships with our partner countries and regions.

¹ COM (2020) 67 19/02/2020

² ARES (2020)1203250 and (2020)3039431.

- To provide you with policy orientations and possible areas of cooperation with our partner countries and regions.
- To inform you about the actions already taken and planned at HQ level in order to support/reinforce your own initiatives and eventually to include them in your initiatives and programmes.

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1. The Importance of Digital Cooperation with Partner Countries

The use of digital technologies is transforming our economies and societies at unprecedented speed and scale, simultaneously creating immense geopolitical, commercial and socio-economic opportunities as well as pressing challenges. Due to the speed of transformation and the direct impact of digital services and products in people's lives, digitalisation has been recognised as a critical enabler for the achievement of 2030 Agenda and its Sustainable Development Goals (SDGs). The digital sector is also key for the achievement of the EU's external policy objectives, including the European Neighbourhood Policy, the EU's Enlargement policy and engagement with the Asia-Pacific, Africa and Latin America.

Digital technologies have the potential to extend social benefits in sectors such as (but not limited to) governance and public administration reform, human development (health, education, social protection, employment), education, agriculture, energy, trade, environment and water, or security to remote underdeveloped areas. International cooperation in areas such as telecommunication and internet governance, high performance computing, big data analytics and artificial intelligence can, for example, help address global concerns such as climate change, biodiversity, demography, migration, security or water management. Digitalisation can also improve Micro, Small and Medium Enterprises' (MSME) efficiency by helping them grow, and most importantly, facilitating e-skills development and job creation in new sectors. Digitalising healthcare, mobility, manufacturing, and retail could increase global GDP by €1.1 - €1.84 trillion by 2030.

The world is currently characterised by a massive gap between the under-connected and the hyper-digitalised countries. Today 46% of the globe, 3.5 billion people, remain digitally unconnected. We must avoid a connectivity divide. Plugging the digital connectivity gap alone could generate \$14 trillion, with a 10% increase in internet penetration resulting in 2.5% GDP growth. In least developed countries, only one in five people uses the Internet as compared with four out of five in developed countries³. The digital divide remains a problem both across and within regions and countries, since there are large variations between high and lower income countries and between cities and rural areas with significant additional implications from an economic and social perspective. Likewise, the gender gap is widening in terms of digital access, skills and job opportunities. Unequal access to and use of digital technologies and solutions by women and girls, as well as their lower presence in jobs requiring digital skills across all sectors that use technology, are some of the key aspects of the 'Gender Digital Divide'. Women and girls are vastly underrepresented in digitalisation and men are twice more likely to have access to the internet than women⁴. People with disabilities, elderly, economically marginalized or refugees are other groups prone to exclusion. This has led to unrealised benefits for certain groups, and more acutely in developing countries.

While eGovernance strengthens democracies over the world by proving more accountable services to citizens, the misuse of digital technologies (unlawful and arbitrary surveillance, manipulative interference, election meddling, mis- and disinformation campaigns, data collection mechanisms, biased data sets used in artificial intelligence algorithms, etc.), compounded by low awareness and digital literacy in certain population segments worldwide can create an environment conducive for control, manipulation and radicalisation in society. Cybersecurity concerns are used by authoritarian regimes to limit fundamental freedoms. Surveillance systems monitor individuals and civil society organisations, contributing to the

³ "Digital Economic Report" Sept 2019 https://unctad.org/en/PublicationsLibrary/der2019_overview_en.pdf

⁴ "Bridging the Digital Divide" OECD, May 2019 <http://www.oecd.org/internet/bridging-the-digital-gender-divide.pdf>

shrinking space of human rights defenders, who are targeted and repressed for voicing their concerns. Digital tools are also used to influence democratic processes across countries, often exploiting legal grey zones and the lack of transparency on ICT services. The use of cyberspace as a domain of conflict, either solely or as part of a hybrid approach, is widely acknowledged. What is more, the lack of data protection and privacy laws as well as the low level of compliance and enforcement of existing rules are infringing human rights and promoting systematic abuses from public and private entities. The power inherent in control of the digital playing field, and the efforts already under way by competing countries to take control, requires the EU to take decisive and concerted action in order to provide alternative vision and solutions in this space.

As mentioned above, digitalisation goes hand-in-hand with cybersecurity: the more institutions and society become reliant on digital technologies, the more important the role cybersecurity plays. Cyberspace is ubiquitous and the rapid digital evolution raises in parallel concerns about maintaining trust and security in cyberspace. If digital technologies are untrusted and unreliable, countries and citizens may not fully reap the rewards of digitisation; and increased dependence on digital technology coupled with unreliability may threaten to create negative progress. A more digitalised society requires building a resilient cyberspace that is fully compliant with human rights and the rule of law as well as with the whole-of-society approach. Given the nature of this challenge facing the developing world, mainstreaming cybersecurity in development cooperation is key to enable more resilient and sustainable development. Digital networks need to be secure and resilient and risks must be mitigated. In that context, the European Commission will implement, in all its external funding, both directly and via IFIs the EU's 5G Toolbox, which provides a model for ensuring a diversity of suppliers and mitigating the risks from high-risks vendors.

To a large extent, the digital economic transformation is driven by data, which has become a key factor for global competitiveness. Countries are competing for technology, talent and access to data, by many considered the fast growing raw material of the 21st century. While American and, increasingly Chinese platforms dominate the global data market, some state actors are pursuing aggressive digital connectivity cooperation strategies with third countries by using state loans and investments in digital infrastructure and services that are threatening the technological and data sovereignty and security of partner countries. Mass surveillance, tracking and citizen scoring systems are being deployed in partner countries, increasing state control and gradually replacing democratic governance models with authoritarian regimes. In a situation of insecurity of data flows, EU companies from all sectors perceive higher risks to invest and, in most cases, do not benefit from a level-playing field when facing state-sponsored companies or organisations.

By pursuing a human-centred model that puts people at the core of technological developments and the use of digital technologies, the EU has developed the world's most advanced policy and regulatory framework in many aspects of digitalisation. As such the EU is gaining recognition as a balanced and trustworthy partner in a complex digital world and in a highly divided international context. These efforts have been supported by measures to promote and protect a global, open, free, stable and secure cyberspace. This brings opportunities to raise our global ambition of shaping and leading international negotiations by promoting our values, setting standards, principles, as well as governance and cooperation mechanisms for the new digital era.

As a global development actor promoting values of democracy, human rights and openness, the EU needs to engage with a clear vision and a strong normative voice in a cooperative and collaborative manner on questions triggered by digital technologies. Europe is already setting the agenda on a range of digital issues such as the protection of personal data, the free flow of data with trust, net neutrality and the promotion of ethical principles for artificial intelligence.

The EU can support the creation of scalable and integrated markets in several regions in the world, following the principles of the EU Digital Single Market (DSM), where individuals and businesses can seamlessly access and engage in online activities under conditions of fair competition and a high level of consumer and personal data protection, irrespective of their nationality or place of residence. Reinforcing trust both in regulation and infrastructure is a key driver for the growth of digital economy, in which the EU can bring a strong contribution and meet partner countries' expectations. In the Enlargement context, whose full alignment with the EU acquis and integration into the Digital Single Market serves the goal of accession, the DSM concepts have special significance. It is therefore vital for the EU to promote these concepts actively in the face of competing investments from other global players.

A fundamental element in this context is the vital role of the active engagement and investment of the European private sector and its presence in partner countries. The EU should support its industry to preserve and scale up its investments. By pursuing targeted policy decisions, strategic investments in priority areas and accelerating policy reforms in partner countries, the EU can promote its 'sustainability label' and unique value-driven development model on the global digital scene.

It is a matter of strategic technological sovereignty, economic interests, sustainable development and security that the EU develops and shares with partner countries an alternative model of digital transformation.

Simultaneously, digitalisation and data technologies are showing in this crucial times their importance in the governments' strategies to **combat COVID-19**. Digital response in support of partner countries will have to be coordinated at EU level and will aim at leveraging on digital solutions to fight the pandemic and to mitigate its social and economic impacts by utilizing digital as an enabler for e-services and improving governments' responses, and supporting economic resilience.

Digital cooperation shall play an important role on fighting COVID19 in developing countries through a structural digital transformation. However, developing countries struggle to take full advantage of digital technologies in fighting and in mitigating the impact of the pandemic due to lack of affordable and reliable connectivity, limited digital skills, lack of opportunities for business, and limited availability of e-services. The wide digital divide is reducing the capacity of governments to harness digital technologies to support their health and socio-economic response, and will slow down recovery once the COVID-19 pandemic is over. The European Union is defining a coordinated and effective strategy to fight the pandemic, in particular in LDCs.

2. Cooperation and International Partnerships.

EU cooperation is evolving to respond in a more effective and comprehensive manner to development challenges in an ever more complex global context. The Communication Shaping Europe's Digital Future⁵ announces that a Global Digital Cooperation Strategy will put forward by 2021 a European approach to the digital transformation that builds on our long and successful history of technology and innovation, vested in European values, including openness, and will project them onto the international stage and engage with our partners.

The EU will continue to build strategic partnerships, including connectivity partnerships, such as the first concluded with Japan in September 2019 and promote the EU approach to digital cooperation, a key strategic sector that intertwines the EU's societal and economic progress to that of its partners. By promoting digitalisation, the EU supports the achievement of the Agenda 2030 and its Sustainable Development Goals, particularly but not only SDG 9; Build

⁵ COM (2020) 67 19/02/2020

resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. Digital solutions will also largely contribute to meeting the goals on people, planet, prosperity, partnership and peace. Our actions should concentrate on promoting open, secure, neutral, transparent, inclusive and safe use of digital technologies, inspired by the principles enshrined in the EU Digital Single Market, as well as in international human rights frameworks.

Moreover, the EU wants to reinforce **multi-stakeholder policy dialogue** and to engage at different levels to promote its approach to **inclusive digital cooperation**, aligned to the interest of the **EU industry**. The principle of the digital single market, the EU approach to artificial intelligence, multilateral digital governance mechanism, etc. should be promoted at multilateral fora.

To achieve these objectives, EU cooperation has strengthened the financial tools at its disposal to be able to leverage EU funding with that of the private sector, yielding higher results in terms of financing for development. The EU's External Investment Plan (EIP) includes digitalisation as a priority and provides guarantees to loans for the digital transformation of the EU neighbourhood and the African continent, and in the new MFF, to the rest of the world. It will aim at reducing risks for private and public investments accompanying the digital transformation in partner countries. In order to ensure projects bring EU expertise and are aligned with EU interest, the EU private sector should be at the core of the digital window implementation.

A "Team Europe" needs to be implemented by leveraging other EU policies and **coordinating with the EU Member States, EU financial institutions, EU private sector and civil society at EU level and in each partner country**.

Fostering the green digital economy through EU industry and financial sector is essential in the quest to reach the **Green Deal** objectives. Digitalisation presents new tools for improving energy efficiency, promoting circular economy, monitoring deforestation, air and water pollution, improving efficiency for food production (from farm to fork) and in other key areas.

Digital transformation and digital entrepreneurship have reshaped global economy and the labour market but certain regions and certain categories of the population such as young people and women, struggle to take advantage of its full potential. Bridging the Digital Divide and extending Internet access in developing world could enhance productivity as much as 25% with tremendous benefits on **sustainable jobs and growth**.

Digital technologies can also support promoting well-managed, regular and safe **migration and mobility** minimising bureaucratic tasks while ensuring the associated societal and humanitarian needs. The uptake of solutions such as electronic identification (eID) can improve the efficiency of processes over the identification lifecycle, and the leveraging of data generated by migrants to improve policy-making and service delivery. Migrants' remittances represent one of the most important financial flows for developing countries. Digital technologies have fuelled the evolution of fin-tech services and particularly of block-chain-backed digital payments, reducing drastically transaction costs.

The increased access and use of digital technologies, integrated in an overall framework of reforms, can improve governance, transparency and accountability strengthening democracy transforming **governance and security** systems in partner countries. However, the misuse of digital technologies such as cybercrime, mass surveillance, manipulative interference of elections, disinformation campaigns, hate speech, unlawful data mining, use of biased data sets for artificial intelligence, etc. can be harmful to human rights and democracy.

COVID-19 has forced a change in priorities in ongoing work. This has resulted in repurposing of existing funding, and new ways of using existing tools. The result is a mixture of responses to short-term priorities and a review of future priorities. Digitalisation has already proven essential in governments' strategies to combat the spread of the disease and mitigate its socio-economic impact. Artificial Intelligence, Big Data, 3D printing, mobile technologies and distributed computing are now being used to fight back the pandemic; and digital connectivity has allowed societies to continue to function despite measures such as social distancing, confinement, restrictions of movement and closure of essential private and public services.

3. The EU response: the four pillars of the digital transformation

a. Governance, policy and regulatory frameworks

The EU intends to promote its values through the **human-centric approach**, leading to an inclusive and fair digital transformation reducing the impact of the inherent challenges and threats of digital transformation. Promotion of the respect of human rights in an open, safe and free internet, and promotion of democratic principles and transparency in the use of digital technologies such as net neutrality, non-intervention, free and fair elections ensuring that off-line rules and principles are effectively also applied online. EU ambition is to focus on equality and inclusion through the key principles, experience and founding values of our **Digital Single Market (DSM)**.

The EU is a global model fostering the balance between the promotion of investments, competition and the protection of consumers' rights. In this context, EU's internal policies, such as General Data Protection Regulation (GDPR), the Directive on security of network and information systems (NIS Directive), or international legal instruments such as the Budapest Convention on Cybercrime and the ethical approach to Artificial intelligence and use of Data remain a key part of the EU policy framework of reference. Fairer market access and business opportunities for European and partner countries can be achieved through cooperation on ICT standards models. The EU has already inspired non-European countries' legislation and digital transformation and such expertise needs to be further utilised.

b. Supporting universal access to enhanced, affordable and secure connectivity

Even though the digital revolution is a global phenomenon, due to the digital divide, there are still huge disparities between and within countries when it comes to the penetration, affordability and performance of digital services. An estimated 3.6 billion people are still offline, with the majority of the unconnected living in the Least Developed Countries, where an average of just two out of every ten people are online. Lack of infrastructures, limited affordability, poor digital skills, unreliable sources of electricity and the regulatory bottlenecks remains some of the key barriers to the uptake for effective use of Internet. The gender digital divide is an important element to be added to the equation (48%, of women using Internet against 58% of men). Digital gender gap is growing in Africa, the Arab States and the Asia-Pacific region.

It is proposed to address the digital divide gap promoting the improvement of the regulatory environment; boosting investment in digital infrastructures; supporting measures increasing affordability of enhanced connectivity to citizens and protect them from cyber threats; addressing the socio-economic and cultural causes of gender digital divide.

c. Digital literacy, skills, and entrepreneurship

The advent of digitalisation has transformed the definition of literacy. Along with skills allowing individuals to both use digital devices and create digital solutions to local development challenges, a whole set of transversal competencies proves necessary, especially for women and young people entering the labour market. Much can be done through

providing foundational skills including literacy, second language learning and basic digital skills to enable citizens to actively participate and succeed in the digital society. Skills for ICT professionals, digital entrepreneurs and public institutions are necessary to build a skilled workforce through the provision of digital and entrepreneurial skills to future or current professionals across all sectors that use technology, including TVET programmes.

Digital entrepreneurship can be the engine of economic development in the 21st century. At the same time, the development of successful enterprises is intertwined with digital skills. Digital entrepreneurship also plays a vital role in bridging the digital divide and improving the inclusion of women for economic and social growth. Capacity building support for the digital start-up eco-system is fundamental in topics such as marketing, regulations, legal requirements. Access to finance and lack of financial services are amongst the major issues for start-up and digital companies and need to be addressed. The Green Digital Economy is particularly relevant to the new EU international partnership strategy. Supporting science, technology and innovation is instrumental to Digital Transformation in order to help the public and the private sector to take full advantage of new technologies and innovative business. The European scientific and industrial excellence plays a fundamental role for partner countries to take advantage of European assets such as Copernicus, Galileo and EGNOS.

d. Accelerating the adoption of eServices for achieving the SDGs

Digital technology has a transformational effect on achieving the UN Sustainable Development Goals. Digitalisation and ICT have brought the world closer together through a wide range of changes in how people, government and businesses interact. Both public and private services are rapidly migrating from traditional operation models to digitally enabled services, tagged eServices. A digital infrastructure should entail those services that are a prerequisite for a digital economy (i.e. fin-tech and digital financial services, eGovernance services such as digital identity, marketplaces, open data platforms, eCommerce) and those that enhance governmental service delivery (i.e. healthcare, education).

One specific issue revealed by the COVID crisis as fundamentally important is connectivity, particularly for research networks⁶, an area where the EU has enormous experience. Consideration should therefore be given to strengthening our global connectivity networks for research that are managed in the EU by Géant, and supported around the world by our external cooperation programmes.

4. How the EU will foster a coordinated approach on international partnerships

The proposed cooperation instrument for the post-2020 programming, NDICI, emphasises the “geographisation” of the international and development cooperation favourable to the establishment of close partnerships.

At the global level, our actions should concentrate on promoting open, secure, neutral, transparent, inclusive and safe use of digital technologies, inspired by the principles enshrined in the EU Digital Single Market, as well as in international human rights frameworks. To this end, the Commission Staff Working Document “Digital4Development: mainstreaming digital technologies and services into EU Development Policy”⁷ outlines recommendations on how to implement the Digital4Development approach.

⁶ [G20 Leaders statement](#) : “We further commit to work together to increase research and development funding for vaccines and medicines, **leverage digital technologies, and strengthen scientific international cooperation**”

⁷ [SWD Digital4Development: mainstreaming digital technologies and services into EU Development Policy](#)

Under the current financial framework, the Service for Foreign Policy Instruments (FPI) is already supporting the **International Digital Cooperation** initiative. It supports building alliances and strengthening the EU's position as a leading organisation in the digital economy, promoting the European approach and shaping global frameworks in the digital domain. This initiative includes four strands of work:

- Promotion of international convergence of data protection standards, protecting European citizens' privacy rights worldwide and allowing Europe to take the lead in setting benchmarks and creating favourable conditions for becoming a hub for data services;
 - Strengthening cooperation to enable convergence of ICT standards (5G, Cybersecurity, IoT, ITS, Distributed Ledger Technologies, Cloud and Big Data), lowering technical barriers to trade whilst promoting the values of European standardisation system and European standards when relevant;
 - Building global consensus on how to apply existing international law in cyberspace and to develop norms for responsible state behaviour that create international cyber stability and promote trust and security in cyberspace; develop collective approaches and responses to prevent conflicts and to address cyber-related challenges; and raise awareness of the EU's contribution to global cyber stability and resilience;
 - Supporting effective cooperation for law enforcement purposes between law enforcement, judicial authorities and the private sector of the EU and third countries for better access to cross-border access to electronic evidence.
- The action in support of an **international alliance for a human-centric approach to artificial intelligence** will facilitate joint initiatives with like-minded partners, in order to promote ethical guidelines and to adopt common principles and operational conclusions. The EU has a strong and balanced regulatory framework to build on, which can set the global standard for a sustainable approach to AI

The following initiatives at this level are already under preparation:

A Fair Digitalisation 4 ALL initiative (EU Helpdesk for partner countries)

A global centre of expertise with regional branches. It will serve to the EU to fully play its leading role in the global transition to a fair and inclusive new digital age, fostering the human-centric approach and the green digital economy. An Edu-tech component should be considered in the framework this initiative as supporting the development of skills and the linkages of research institutions are fundamental to bridging the digital gap.

The D4D Hub

We will be setting-up an EU alliance to build and consolidate a “whole-of-EU approach”, promoting EU values and mobilising EU industry, expertise and civil society. The Hub initially includes DE, BE, FR, LU, EE. Over the last months, the EU, the Member States mentioned above and their respective development agencies have reinforced their cooperation and synergy within a D4D Hub that has the ambition of becoming a multi-stakeholder platform for digital partnerships with three regional branches in Africa, Asia & the Pacific and Latin America & the Caribbean and possibly also in the neighbourhood countries. Two main objectives:

- to support partner countries in policy development around EU expertise and Industry;
- to act as a coordination platform for the EU to counterbalance the weight of other geopolitical players promoting its unique value-driven model.

For **Africa** the plan is to co-launch the D4D Hub in 2020 officially under the German Presidency at the AU-EU Business Forum. For **Latin America and the Caribbean** the plan is to co-launch the D4D Hub/digital partnership in 2020 officially with the launch of the Latin American Economic Outlook (LEO). This partnership will focus on connectivity infrastructure and a digital network to support LACs digital transformation, while promoting the EU model of cooperation in the digital field (human-centric, green, fair, and inclusive).

In addition, the D4D hub has already been mobilised in order to provide a digital response to the COVID-19 pandemic in Africa through a “whole-of-EU approach”, centralizing strategies developed by the EU MS involved in the initiative and adapting existing actions to the ecosystem of partner countries. In particular, actions to guarantee affordable and reliable connectivity and to track the spread of the epidemic are now being prepared by hub partners in cooperation with representatives of the EU digital private sector.

TAIEX and TWINNING actions will complement these initiatives. This expertise will be key in accompanying partner countries and EU Delegations in identifying and implementing Team Europe’s digital initiatives.

a. At regional level, EU cooperation should promote a multidimensional connectivity approach, the integration of regional networks and rule-based digital injected markets creating level playing fields for industry and a conducive digital ecosystem. Regional digital connectivity and markets are key and they should be promoted through the development and harmonisation of the regional policy and regulatory framework through technical assistance and grants and the development of regional infrastructures such as digital backbones, fibre optic cables, data centres, Internet exchange points (IXP), etc. applying financial instruments such as blending and guarantees.

The following initiatives at this level are already under preparation:

Building on the successful Digital Agenda for the Western Balkans, the revised **Western Balkans Regional Economic Area** will rest significantly on the building block of digital transformation as a main driver of regional integration (including, lowering the cost of roaming, broadband deployment; eGovernment, eProcurement, eHealth, & digital skills; trust and security approaches, digitalisation of industries; adoption and enforcement of the acquis).

In the **ENP East**, the Commission has focussed on the harmonisation of roaming, the promotion of high-speed broadband internet to boost economies and expand e-services, and the creation of more jobs in the digital industry. Through the three year EU4Digital Facility, activities in the policy areas of Telecom rules, Trust & Security, eTrade, ICT innovation, eHealth, and eSkills will be financed until 2022.

In the **ENP South**, the Commission support has focused on harmonisation of rules in the telecom sector (EMERG) and providing high quality access to the EU research and innovation network GEANT through the EUMedConnect programmes. The Commission is now working towards a new approach with reinforced cooperation to the digital strategies of certain partner countries and possibilities for integration in EU projects.

The **Data Initiative for Africa** will be a big political and operational initiative to be launched at the AU-EU summit in October 2020. The main axes will be:

- Data technologies for the Green Deal;
- Data driven innovation and artificial intelligence.
- Data for policy development around EU expertise and Industry

In the short term under the current financial framework, DG DEVCO will launch and integrate in the framework of this initiative continent wide-projects already planned in 2020 such as: PRIDA2 (policy and regulation); AFRICACONNECT3 (broadband access); GMES & COPERNICUS (data for environmental monitoring); EGNOS and EU Science and Technology Partnership for Africa.

These initiatives can be also integrated as part of a Team Europe initiative at country level.

The **Digital Flagship for Latin America & Caribbean (LAC)** can be initiated to enhance and extend the transatlantic BELLA cable projects connecting Europe and LAC, as well as increase connectivity within the LAC region and increase the resilience of its networks. In addition to extending the network to more countries, a component of the flagship could focus on data infrastructure and data processing closely associating cooperation on high performance computing for data sharing. Another component could address the EU-LAC policy dialogue needs on digital governance, trust and security, policy and standards. Digital innovation of SMEs and digital skills would also be priorities.

b. At national level, interventions have to be tailored according to the e-readiness of the partner country and its willingness to endorse the human centric approach. Countries with an advanced and human centric digital sector could play the role of champions for regional infrastructures and policy reforms. These countries will attract most of the EU investments and business opportunities. In countries at initial phases of implementation of digital technologies, EU could focus on promoting jobs & growth, competitiveness and diversification. In countries with a significant digital divide, the EU should promote the basics of digital transformation, such as connectivity, inclusiveness and digital literacy.

The intention is to implement digital initiatives based on the previously mentioned four pillars, using a mix of budget support, technical assistance, innovative instruments (blending and guarantees) and call for proposals. More in details:

- **Governance, policy regulatory frameworks, standards and data protection; the human centric approach:** Policy and regulatory reforms are linked to all aspects of digitalisation. They are the baseline for our cooperation and for fostering EU values counterbalancing strategies of other geopolitical players. The regulations and legal frameworks that are the base for digital transformation have also to cater for risk mitigation measures such as the EU's 5G Toolbox⁸, to provide that safety on the networks are safeguarded. These actions should be based on policy dialogue with the government and structured dialogue with the private sector supported through technical assistance, grants, and budget support.
- **Digital connectivity including underserved areas and populations:** To be developed through a mix of technologies and viable business models through private-public partnership, including sustainable provision of electricity. Digital connectivity infrastructure could be supported through financial instruments such as blending and guarantees while our support to partner countries should avoid dependency on high-risk suppliers in this strategic sector. The digital divide could be addressed promoting affordability and digital skills with a focus on youth and women through grants and technical assistance.

⁸<https://ec.europa.eu/digital-single-market/en/news/cybersecurity-5g-networks-eu-toolbox-risk-mitigating-measures>

- **Skills, entrepreneurship and digital economy:** This area will be fundamental for the economic recovery post covid-19. Digital start-up initiatives, innovative business models and digital innovation hubs could be fostered to support high-risk, high-potential SMEs and innovators. The two intertwined priorities of the new Commission have the potential to benefit all partner countries, in particular through the development of new technologies and innovation. Green digital economy could be promoted through new technologies and innovation to support farm to fork initiatives, circular economy for e-waste. The EU will foster the use of COPENICUS and the development of its downstream industry for disaster risk reduction and smart agriculture. Within this context, Digital Innovation Hubs (DIHs), that already exist in Europe, can help ensure that every company, small or large, high-tech or not, can take advantage of digital opportunities. DIHs are one-stop shops that help companies become more competitive with regard to their business/production processes, products or services using digital technologies. DIHs provide access to technical expertise and experimentation, so that companies can “test before invest”. They also provide innovation services, such as financing advice, training and skills development that are needed for a successful digital transformation. Such hubs could also be an opportunity for partnership with innovative EU private sector actors seeking to expand into markets abroad.

Digital Mainstreaming and eServices: It is crucial to exploit the full potential of “digital as an enabler” for an inclusive and sustainable development through the development of eServices, by mainstreaming digitalisation across focal sectors. In the post-COVID crises, e-Health (remote diagnosis, urgent pharmaceutical products via drones, medical data surveillance, etc) and e-education (digital literacy, eSkills, coding schools, distance learning, etc) should be fostered. Some other examples of areas of work for AI applications; Energy: ‘Pay as you go’ solutions, digital-energy business models; for Agriculture: precise agriculture, use of drones, IoT, satellite imagery and big data; for infrastructures: smart mobility and cities; for trade: e-commerce, fintech; Water services: smart metering, water management etc.; Entrepreneurship: start-up incubators, frugal innovation; eGovernance applications and services, biometrics, land registry; local authorities.