

LATIN AMERICA AND THE CARIBBEAN (LAC) - EU – LAC Digital Alliance

#GLOBALGATEWAY

#TEAMEUROPE

TEAM EUROPE PROPOSAL

Regulatory and policy cooperation:

- Improve governance and regulatory environment (learning system for digital skills)
- Support an enabling environment for businesses (digital investments climate, MSMEs)
- Provision of digital skills and awareness raising regarding cyber risks

Extension of connectivity infrastructures:

- Develop secure connectivity networks in countries supporting global coverage (urban areas and raise awareness)
- Expand / strengthen the EU-LAC digital infrastructure and community of researchers (BELLA network)

Digitally-enabled products and e-services (BELLA, Horizon 2020):

- Creation of a regional Copernicus Centre for disaster preparedness
- Copernicus data centres in Chile and Panama
- Training, capacity building, production of tailored products and provisions of EU technologies and data

Innovation and private sector cooperation:

- Support innovation and start-ups
- Link up with EU Innovation networks and communities: EU excellence component (D4D Hub extension to LAC)
- Integrate digital tech in business processes

Expertise and resources are combined from:

- EC, EEAS, EU agencies, MS, EIB
- Public sector, enablers of innovation and owners of programmes and policies
- Knowledge and technology based organisations
- Private sectors, CSOs and BSOs

MODALITIES/TOOLS

Policy dialogue

Technical assistance

Blending operations:

- Innovative financing
- Cooperation with IFI's and donors

Capacity building:

- Exchanges of experiences
- Peer-to-peer learning

KEY DELIVERABLES

Data transfer and Earth observation

1. Construction of the BELLA cable extension to Peru, Central America and the Caribbean, linking both Copernicus centres to ensure high capacity of transfers of free Copernicus data
2. Construction of Copernicus mirror site in Chile for in-situ data collection and provision of marine and land observation e-services tailored for the LAC region.
3. Establishment of a Copernicus regional data centre in Panama, as well as a business incubation centre

Digital accelerator

4. Roll-out of the Digital Accelerator for matchmaking and promotion of investments, in synergy with D4D Hub and complemented by policy dialogues on regulations.

5. Link with TEI Argentina on Digitalisation, innovation, scientific cooperation, TEI Brazil on Digital Transformation, Caribbean- EU partnership for Economic Resilience and Trade and flagship "Digital Jamaica".

Digital Dialogue

6. Establishment of a bi-regional dialogue on digital policy

*This Team Europe Initiative is work in progress

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NATIONAL CONTEXT

Digitalization is at 24% of its potential

Regional and national inequity:

- Caribbean region: challenging (internet) connectivity
- Central American region: COVID-19 crisis serious impact

Central America and Caribbean: two of the most vulnerable geographic areas in the world (Global Climate Risk Index)

Needs for modernising digital economy (e.g. Telecoms, 5G, and digital services, spatial and data technologies)

Digital government in LAC countries lags far behind OECD countries average

LAC is target and source of cyber-attacks (IADB & OAS, 2020)

LAC's rate of digital ecosystem development: 60% of that of Asian countries

LAC's MSMEs competitiveness: 6% of large LAC companies compared to the 66% of EU SMEs

More than 90% of companies have access to internet & 75% use digital banking

40 - 80% of the companies have a website; only 8-23% are selling online

Lack of digital literacy and digital divide:

- 35% of the population do not use internet (CAF, 2020)
- Digital literacy low rate among consumers and in the workforce
- Gender gap in STEM fields at all levels of education and labour market

National policies and documents:

- e-LAC 2022 Agenda
- Digital agendas (Pacific Alliance, SICA or CARICOM)
- Digital priorities in the LAC Regional MIP
- The Latin American Economic Outlook (LEO) 2020

GEOPOLITICAL CONTEXT AND RELEVANT SDGs

Agenda 2030

2030 Digital Compass: the European way for the Digital Decade

EU is the first investor in LAC (large network of Chambers of commerce - Eurocamaras)

Telecom regulatory level: EU REGULATel initiative supports more than 20 LAC regulatory authorities

The Comprehensive Strategy with Africa

China and the US (through the GAFAM3) are investing to further their digital aims in the region (e.g. Digital Silk Road, Blue Dot initiative)

COVID-19 Pandemic

**SDGs included based on a new JRC electronic text mining tool, which identifies SDGs (targets)

TRANSFORMATIONAL POTENTIAL

- Constitute a comprehensive political and cooperation framework for digital engagement with the region
- Build a positive agenda with the region and send a political message that the EU and LAC (1/3 of the UN members) are joining forces in support of global rules and standards
- Reduce the digital divide, building sustainable, equal, inclusive and cohesive digital societies