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GROUP OF 77 & CHINA
G E N E V A

Statement of the Group of 77 and China
Delivered by H.E. Mr. SUON Prasith, Ambassador and Permanent Representative of
Cambodia and President of the Group of 77 and China
at the 71st Session of Trade and Development Board
16 - 27 September 2024 | Room XIX, Palais des Nations

Item 7 – Digital Economy Report 2024: Shaping an Environmentally Sustainable and Inclusive Digital Future

- Thank you, Mr. President!
- The Group of 77 and China welcomes the ***Digital Economy Report 2024***, which offers a balanced analysis of the intersection between two global challenges outlined in the Bridgetown Covenant: accelerating climate change and the widening digital divides. We commend its focus on trade and development, particularly the environmental impact of digital devices, networks, and data centers, which disproportionately affects developing countries. The Report also sets the stage for ongoing and future policy debates on how to ensure both inclusive and environmentally sustainable outcomes of digitalization.
- The Report highlights the growing environmental footprint of digitalization, including resource depletion, water and energy use, and greenhouse gas emissions. It also underscores the lack of comprehensive data, particularly from developing countries, needed to assess these effects.
- The Group expresses its concern on the significant and widening digital divides, within and among countries, which affect the most vulnerable. Moreover, as the Report highlights, the connectivity divide is being compounded by e-commerce divides and divides in terms of readiness to make effective use of emerging technologies for economic and environmental objectives. The accelerated speed of digital transformation, with more compute-intensive technologies being applied (particularly in developed countries), is accentuating the divides while at the same adding to the environmental footprint. This is not sustainable, either from an economic or an environmental perspective.
- At the same time, The Report also identifies opportunities for developing countries if proper policies are implemented. By adding value to raw materials and participating in the digital value chain, resource-rich nations could leverage digitalization for development. We agree that transitioning to a circular digital economy could foster innovation, create jobs, and reduce environmental impact. Small businesses, especially in the informal sector, could benefit from recycling, remanufacturing, and upcycling digital waste, contributing to sustainability while reducing digital divides.
- However, there is a real risk that developing countries, especially LDCs, could fall further behind in both digital development and environmental sustainability. A shift toward inclusive and sustainable digitalization is essential to reversing the unequal ecological exchange. Developed economies, with their greater digital capabilities, must assume responsibility for reducing the

environmental footprint of digitalization while supporting developing countries in benefiting from it.

- Therefore, policies on digitalization and environmental sustainability must be integrated, not siloed. Policy efforts at the national level or national digital strategies should incorporate sustainability, while environmental policies must account for the impact of digital technologies that offer solutions to environmental concerns.
- We encourage further exploration of these issues within UNCTAD, particularly through the Intergovernmental Group of Experts on E-commerce and the Digital Economy. We welcome this discussion on the Report's findings at the TDB today and stand ready to contribute to a dialogue aimed at bringing this matter forward.
- In closing, we commend UNCTAD for its research and leadership in fostering multilateral dialogue on this critical issue, and we look forward to further discussions on building an inclusive and sustainable digital future.

Thank you!

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