



High Level Conference: SIDS 2.0: Defining the pathway for Small Islands DIGITAL States in the Caribbean

30th April to 1st May 2024 – Port of Spain, Trinidad and Tobago

SUMMARY OUTCOME STATEMENT

Participating countries:

- Aruba, Barbados, British Virgin Islands, Cuba, Curaçao, Dominica, Dominican Republic, Grenada, Guyana, Montserrat, St Lucia, St. Kitts & Nevis, Suriname and Trinidad and Tobago.
- Representatives from Belize and Jamaica also participated.
- Hosted by the Ministry of Digital Transformation, Government of Trinidad and Tobago.
- Co-conveners: UNDP, CAF and IDB,

COMMON UNDERSTANDING AND KEY PRINCIPLES FOR SIDS 2.0:

1. Digitalization has rapidly become part of people's lives. It is everywhere and at many different levels. The concept of digitalization has been addressed by many institutions and governments, but Small Island Developing States (SIDS) face challenges in achieving comprehensive digital agendas and implementing them. There is wide consensus that further harmonization, coordination, standardization, and coherence are needed.
2. The Caribbean has already shown progress in digital transformation through various enterprises. The SIDS 2.0 initiative presents itself as an opportunity for defining a common vision and roadmap for sustainable development and growth enabled by inclusive digitalization. With focus on what we need and can achieve together beyond our local or individual specificities or interests.
3. Regional collaboration and south-south cooperation, to accelerate inclusive digital transformation, promoting initiatives like sharing data centres, cybersecurity, and integrating IT



solutions is a necessity. Single ICT Space Roadmap¹ approved by the CARICOM Conference of Heads of Government in 2017 is part of the foundation to build on.

SIDS 2.0 initiative

4. SIDS 2.0 is a joint initiative that, through a people-centred approach, promotes enhanced efficiency, innovation, and effectiveness for Caribbean countries and territories to connect better, empower people, and grow as a region. SIDS 2.0 aims to amplify the benefits of digitalization to people, governments, and the private sector while addressing socio-economic challenges, enhancing governance, spurring economic growth, and promoting environmental sustainability through digital technologies.

5. The SIDS 2.0 initiative outlines five core pathways —infrastructure, government, regulation and cybersecurity, economy, and people— to transition Caribbean Small Island Developing States into Small Island DIGITAL States (SIDS 2.0). This framework provides a comprehensive tool for evaluating and fostering inclusive digital transformation across the region.

6. Each pillar is broken down into dimensions with concrete benchmarks to guide nations in assessment and progress tracking. This structured approach aims to identify strengths and areas for development, identify needs, prioritize and identify partners required for technical support, investments, knowledge sharing, etc.

The achievement of these dimensions serves as a strategic checklist, empowering policymakers to steer their nations forward towards becoming digitally advanced states. This checklist provides a clear roadmap, giving policymakers a sense of control and direction in the digital advancement process.

Key principles:

7. The leaders gathered at Trinidad's conference agreed that the SIDS 2.0 initiative needs to be guided by the following principles to accelerate the transformation of Caribbean Small Island Developing States into Small Island DIGITAL states.

- 1. Society-first Digital Transformation.**

Countries agreed to put people and their self-determination at the heart of digital transformation.

- 2. Meaningful regional integration on inclusive digitalization**

¹ [Vision and Roadmap for a CARICOM Single ICT Space \(2017\)](#).



Foster regional integration, leveraging existing institutions and agreements, while strengthening national responses to people and planet.

3. Accelerate real commitment and coordinated approach from partners to support in countering cybersecurity risks.

Countries advocated for working with a coalition of the willing countries to support their response to cyber risks. This includes working at the tracking and traceability of cyber risks with strengthened national laws to respond with actions against risks.

4. Speed and scale in design of digital transformation.

Countries agreed that thinking speed and scale influence the speed of solving the problem. Therefore, countries will work with the broader local digital ecosystems across the region and with partners to design for speed and scale, making all scarce assets such as knowledge, processes, data, and technology open and available to all.

5. Advocate for technologies that foster national sovereignty and resilience.

Countries agreed that technologies' design and choices should consider the region's sovereignty through leveraging digital public goods that avoid vendor lock-ins and build capacity of regional experts in their development.

6. Interoperability as a core mechanism for fostering societal scale impact for people within countries and across borders.

Countries discussed interoperability as a core commitment, across identity, payments, data flows that protect the rights of their people and reduce frictions in their movement and business opportunities.

7. Movement of talent and sharing of capacities.

Countries discussed pooling talent and capacities to strengthen indigenous expertise networks for the region promoting regional exchanges and cross fertilization.

8. Strengthening local digital ecosystems

Countries advocated for partners' support to the digitization of business services and integrating the region into global marketplaces to improve livelihoods of small businesses.

9. Responsive, demand-driven, and agile technical assistance regional mechanism are required.

Countries can avail technical assistance and support from partners such as the Government of Trinidad and Tobago, UNDP, CAF and IDB.

10. Harmonization, coordination, standardization, and coherence.

Countries understand the value of coming together and promoting the use of the common framework with shared objectives, dimensions, and metrics.



DIGITAL PATHWAYS, DIMENSIONS AND METRICS

Digital pathway #1: Digital Infrastructure:

8. Digital Infrastructure encompasses both physical components like fibre-optic cables and digital enablers such as internet connectivity and digital devices. This section proposes dimensions for self-assessment of infrastructure readiness and resilience, crucial for supporting digital activities across sectors and ensuring sustainable growth. The digital infrastructure foundations are necessary to enable the use of data, technology, methods, systems and processes. These foundational catalysts are overarching digital systems accelerating progress in all parts of digital transformation. These dimensions include:

Robust Physical Infrastructure and ICT Networks, assessing the availability and quality of broadband and mobile internet, with indicators like access to fibre-optic networks and 5G rollout.

Access Enablers, ensuring universal access to the internet regardless of socio-demographic barriers, with aspects like national and public data warehousing.

Modern Financial Infrastructure open and interoperable digital payment infrastructure, facilitating fast, cost-effective financial transactions through digitized credit bureaus and instant payment systems.

Digital Platforms, establishing interoperable systems and national e-payment gateways to enable seamless digital interactions and transactions.

Establishment of Digital Identity System, ensuring the existence of a comprehensive digital ID system, particularly within government services, to securely verify individuals' identities for accessing digital services. These systems provide trustworthy, accurate and privacy-preserving identification of individuals, businesses or other entities.

Digital Pathway #2 - Government:

9. The Government dimension of the SIDS 2.0 initiative focuses on leveraging digital technologies to improve service delivery, governance, and public engagement in Caribbean Small Island Digital States (SIDS). It emphasizes digitizing public services, making government information accessible online, and implementing digital strategies and policies within government institutions. Key components include:



Leadership and Strategy: Existence of a comprehensive Digital Transformation Strategy; Implementation of a communication strategy; Collaboration agreements for cross-cutting digital aspects; Enhancing capacities within public institutions to ensure appropriation to implement the “back-stage” aspects of digitalization and public services provision

Implementation Capacity and Systems (Core Government Functions and Systems): Active Digital Government Accounting and Budget System; Active Integrated Financial Management System; Active Government E-Procurement Platform; Human Capital Management

Digital Government Services and Platforms: Establishment of self-service/e-government portals for various services like business registration, tax filing, and social welfare benefits; Digitization of election systems and immigration processes; Transition of government transactions to digital formats.

Open Government: Development of adequate data infrastructures for Digital Transformation

Digital Pathway #3 - Regulation and cybersecurity:

10. Regulation and cyber security are crucial in fostering digital innovation while safeguarding citizens and businesses. Regulation encompasses cybersecurity, fair market competition, data protection, and governance of emerging technologies like blockchain and Artificial Intelligence (AI). Here are the proposed dimensions for governments to self-assess their regulatory framework concerning digital innovation in Caribbean SIDS:

Cybersecurity: Focuses on the existence of laws and regulatory actions to prevent cybercrimes, establishment of a national cybersecurity strategy, and operational national cyber incident response teams.

Fair Market Competition: Involves updating competition laws and policies to govern digital markets, designating authorities to enforce competition laws, and ensuring fair play in digital markets.

Data and Privacy: Encompasses the enactment of robust data protection laws, establishment of designated data protection authorities, and governance of data privacy and protection.

Emerging Technologies: Includes facilitating regulatory innovation, establishing frameworks for e-money and agent banking, permitting simplified customer due diligence, and testing digital innovations in the market.



Consumer Protection: Focuses on extending consumer protection regimes to digital markets, establishing financial consumer protection frameworks for digital finance, and designating entities to manage disputes and complaints related to digital services.

Digital Pathway #4 - Business and economy:

11. The Economy dimension focuses on cultivating a digital economy that fosters innovation, entrepreneurship, and sustainable growth in Caribbean Small Island Developing States (SIDS). This involves initiatives to support digital entrepreneurship, create digital jobs, promote e-commerce and digital trade, and integrate digital technologies into traditional sectors like tourism and agriculture. Critical dimensions for governments to self-assess advancements in the digital economy include:

Access to Digital Financial Services and Digitally Enabled Investment: Ensuring individuals and firms have access to financial services and digital finance tools, such as affordable financial accounts and contactless payment technologies.

Digital Businesses: Supporting the establishment and growth of digital businesses through streamlined registration processes, incentives for digital innovation, and strengthened intellectual property laws.

Innovation Ecosystem: Fostering a vibrant innovation ecosystem through the presence of incubators, accelerators, entrepreneurship programs, and active engagement between industry associations and regulatory bodies.

Standards of Responsibility: Adopting international standards and good practices by businesses and the financial sector, particularly in areas such as data privacy and protection, social responsibility, and governance.

Digital Pathway #5 - People

12. The People dimension emphasizes empowering individuals with the skills and resources necessary to thrive in a digital world, particularly in Caribbean Small Island Developing States (SIDS). This includes promoting digital literacy and skills development programs, addressing the digital divide, ensuring inclusive access to digital technologies, and centring digital transformation efforts around people's needs. Key focal points for assessing advancements in this area include:

Skills and Literacy: Ensuring broad access to digital opportunities through national digital skills strategies and integrating digital literacy into school curricula.



Usage and Adoption of Digital Services: Promoting inclusive access to financial services and a diverse range of digital tools to enable participation in the digital economy.

Human Rights: Recognizing and protecting digital rights as fundamental human rights, integrating them into the legal framework.

Civic Engagement: Encouraging active involvement in online activities to address social and political issues and facilitating communication and interaction through digital media.

Cultural Norms: Promoting digital well-being, fostering trust in technology and institutions, and cultivating a digital culture that reflects positive behaviours, values, and practices.



CONCRETE NEXT STEPS:

1. Countries to review and provide inputs on the position paper including dimensions and metrics.
2. Countries to use the SIDS 2.0 framework to conduct assessment and develop Action Plans according to national priorities and local needs.
3. Focused discussions on:
 - a. Inclusivity by design with a people center approach, including private sector.
 - b. Green data centers
 - c. Cybersecurity
 - d. e-IDs.
4. Creation of a knowledge portal with best practices, publications, legislation, and regulation, that will be convened with UNDP's support.

ANNOUNCEMENTS:

CAF announced its commitment of up to 75 million in grants and investments to support digitalization initiatives of Caribbean SIDS. In addition, CAF reaffirmed that will join forces with other development partners to scale up financing and strengthen donor coordination, for example CAF's partnership with the European Union to mobilize an additional 3 million Euro grant to support digitalization in Trinidad and Tobago. CAF stands ready to work with all countries across the Caribbean to fast-track the national and regional digital transformation agenda.

UNDP in partnership with the Ministry of Digital Transformation of the Government of Trinidad and Tobago, and in collaboration with CAF, is pleased to announce a Digital Support Facility for the Caribbean. This Facility will provide technical assistance for countries in the region, including support for resource mobilization through partnerships. As a follow up to this conference, the Facility is offering support to Caribbean countries to develop Digital Action Plans to implement the SIDS 2.0 vision, so Caribbean SIDS become Small Island DIGITAL States

IDB confirmed its commitment to Digital Transformation efforts across the region, having already mobilized approximately US\$480 million in the last decade in financial support for the Caribbean in this area. Furthermore, the recently launched ONE Caribbean framework highlights the importance of Digital Transformation as a mechanism to secure better economic outcomes and service delivery in the region.

Co-Develop committed \$1 Million for four 4 Caribbean countries to enable deployments of shared digital public infrastructure within one year, in support of a more inclusive and thriving society.



EU confirmed its commitment to continue to support the Caribbean digital transition through the EU-LAC Digital Alliance, and welcomed the SIDS 2.0 Conference as an important milestone towards further regional coordination and a harmonised approach to the digital challenges.

CLOSURE:

Participants and co-conveners expressed their gratitude to the Ministry of Digital Transformation of the Government of Trinidad and Tobago for having hosted this event.

-end-