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**Social development: social development, including questions
relating to the world social situation and to youth, ageing,
disabled persons and the family**

Promoting social integration through social inclusion

Report of the Secretary-General

Summary

  The present report has been prepared pursuant to General Assembly resolution 74/120 on promoting social integration through social inclusion. The report focuses on digital and financial inclusion and their importance for the overall social inclusion of all, in particular young persons, older persons, persons with disabilities and indigenous peoples.

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I. Introduction

1.   The present report is submitted pursuant to General Assembly resolution 74/120 on promoting social integration through social inclusion. In the resolution, the Assembly addressed, inter alia, issues relating to information and communications technology (ICT) and its potential to provide new solutions to development challenges, foster inclusive and equitable economic growth and contribute to poverty reduction and social inclusion. It also called upon Member States to implement policies and to accelerate their efforts to close the digital divide as a measure to attain the social inclusion of all with a focus on children, young people, women, persons with disabilities and older persons, without any discrimination.

2.   Furthermore, in the resolution, the Assembly focused on financial inclusion, encouraging Member States to consider adopting and pursuing national financial inclusion strategies. Such strategies are to comprise, inter alia, measures for promoting full and equal access to formal financial services and financial literacy, as a way to increase the capacity of young people, women, persons with disabilities, older persons and indigenous peoples to leverage various types of opportunities for their full participation in society.

3.   Both digital and financial inclusion merit further attention, especially in the context of rapidly accelerating forms of new technologies, including digital platforms, cloud computing and artificial intelligence, which have the potential to accelerate progress towards the achievement of the Sustainable Development Goals but may also exacerbate inequalities and exclusion.

4.   Furthermore, the coronavirus disease (COVID-19) pandemic has hastened many technological trends already taking place, accelerated the adaptation of new forms of communicating, telecommuting, e-commerce, e-learning, telehealth and other areas. New application-based financial platforms have also been gaining prominence with the increase in remote-banking, which offers further potential for greater financial inclusion.

5.   The present report highlights the impact of the new technological trends on social integration and social inclusion. In particular, it examines digital and financial inclusion as they relate to social groups, including young people, older persons, persons with disabilities and indigenous peoples.

6.   The Secretariat sought information from Member States and relevant actors of the United Nations system on the implementation of resolution 74/120. It received responses from the Governments of Austria, Azerbaijan, Colombia, Ecuador, Guatemala, Malta, Mexico, Poland, the Philippines, Qatar and the Syrian Arab Republic.

II. Promoting digital inclusion[1]

7. As ICT has become a primary means for communications, access to information, tele-work, education, transactions and entertainment, Governments, private sector, service providers, academia and businesses have had to accelerate their digital transformation processes. Similarly, individuals and families will need to adapt new technologies in their lives. Yet persisting inequalities in the digital world – in terms of access to the Internet, computers and digital devices, as well as capacity-building and training – will prevent the most disadvantaged from participating in this digital transformation. Importantly, ICT needs to be accessible in terms of availability and affordability but also in the sense of design – meeting the needs and abilities of all individuals, with special attention to the needs of persons with disabilities.

8. Digital inclusion requires ensuring that all individuals and communities, including the most disadvantaged, have access to and use of ICT, or more precisely the ability of individuals and groups to access and use information and communication technologies regardless of gender, age and location.[2] The issue of digital inclusion also became more visible.

9. Digital inclusion has become a major issue of concern for policymakers around the world and has been recently brought into prominence as a core component of social inclusion itself by the onset and consequences of the COVID-19 pandemic, when access to the Internet and digital tools proved of major importance. Stay-at-home orders, telecommuting, e-learning and e-shopping increased our dependence on digital technologies, making digital inclusion more important than ever. The pandemic has accelerated technological changes that had already been under way, such as greater use of digital platforms, cloud computing, big data and algorithms. Without digital technologies, the economic and social impact of the COVID-19 pandemic would be hard if not impossible to mitigate. At the same time, it has been widely recognized that the COVID-19 pandemic has amplified digital disadvantage and exclusion across the globe.

10. Digital inclusion requires infrastructure, connectivity, accessibility and affordability, as well as digital abilities. Digital infrastructure involves physical resources, devices, systems and processes, as well as Internet connectivity. Digital accessibility means both overall access and the inclusion of persons with different needs, such as persons with disabilities.

11. Digital inclusion for all remains elusive. Globally, 72 per cent of households in urban areas had access to the Internet at home in 2019, compared with 38 per cent in

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[1] The data in this section are drawn from the following sources: the International Telecommunications Union (ITU), *Towards building inclusive digital communities* (Geneva, 2021), available from www.itu.int/pub/D-PHCB-TOOLKIT.01-2021; ITU, *Economic impact of COVID-19 on digital infrastructure* (Geneva, 2020), available from www.itu.int/pub/D-PREF-EF.COV_ECO_IMPACT; and ITU, *Measuring digital development. Facts and figures* (Geneva, 2020), available from www.itu.int/en/ITU-D/Statistics/Pages/facts/default.aspx; Bianca Reisdorf and Colin Rhinesmith, "Digital Inclusion as a Core Component of Social Inclusion" in *Social Inclusion*, 2020, vol. 8, iss. 2, pp. 132–137, available from www.cogitatiopress.com/social inclusion/article/view/3184; United Nations, *The Sustainable Development Report 2020* (New York, 2020), available from https://sdgindex.org/reports/sustainable-development-report-2020/; United Nations Children's Fund (UNICEF), "COVID-19: Are children able to continue learning during school closures?" (New York, 2020), available from https://data.unicef.org/resources/ remote-learning-reachability-factsheet/; and Silvia Montoya, "The Importance of Monitoring and Improving ICT Use in Education Post-Confinement" (United Nations Educational, Scientific and Cultural Organization (UNESCO), 2020), available from http://uis.unesco.org/en/blog/ importance-monitoring-and-improving-ict-use-education-post-confinement.

[2] ITU, *Towards building inclusive digital communities.*

rural areas. The digital divide is reflected both in terms of Internet access and computer ownership, with 87 per cent of households in Europe having Internet access at home compared with 18 per cent in Africa, and 78 per cent of households in Europe owning a computer compared with 11 per cent in Africa. Moreover, although ICT services have become more affordable, barriers to Internet uptake remain, with much larger gaps in the adoption of broadband and use of the Internet between developed and developing countries than the gap in mobile/cellular uptake.

12. Moreover, the barrier to Internet access also includes the cost of devices and service, digital literacy and a lack of appropriate content. For instance, despite having 90 per cent broadband (3G) coverage, many countries have less than 25 per cent Internet penetration. While Internet adoption is at 91 per cent in North America and 86 per cent in Western Europe, in Latin America and the Caribbean it stands at 70 per cent, and 38 per cent in sub-Saharan Africa.

13. Digital technologies can empower marginalized or disadvantaged social groups and foster their social inclusion and participation. Yet the digital divide disproportionately affects already disadvantaged and marginalized groups, including the rural poor, women – especially in developing countries, older persons, persons with disabilities and indigenous peoples.

14. Internet access generates new opportunities for young people, yet many young people, especially those in developing countries, still lack digital access and the required skills. Globally, nearly 70 per cent of young people are using the Internet, but regional disparities continue, with over 90 per cent of young people using the Internet in Europe and the Americas, 70 per cent in the Asia Pacific region and 40 per cent in Africa. In total, 3.7 billion people, including 369 million young people, remain offline. The unequal access to remote learning was highlighted during the widespread school closures due to the COVID-19 crisis. While over 90 per cent of ministries of education enacted some form of policy to provide digital and broadcast remote learning, estimates by the United Nations Educational, Scientific and Cultural Organization (UNESCO) suggest that 826 million students are still without a household computer, 706 million lack Internet access at home and another 56 million lack coverage by mobile 3G/4G networks.

15. The Internet gender gap remains wide in developing countries. For instance, in Africa, 37 per cent of males and 20 per cent of females used the Internet in 2019. Similarly, gender disparities remain in mobile telephone ownership.

16. Importantly, low ICT skills remain a barrier to full participation in a digital society. Out of 85 countries with available data, only in 21 countries have standard skills been reported by 40 to 60 per cent of the population. For 32 of the economies, standard skills were possessed by only 0 to 20 per cent of the population. The rates were lower still for advanced computer skills, such as software downloading and computer programming.

17. Remote working arrangements adopted on a large scale owing to the COVID-19 pandemic were followed by the rise in e-commerce, e-services and online freelance work. For some, new expanded digital platforms offered new employment opportunities, while businesses reduced the costs of hiring and maintaining a workforce. Those platforms have the potential for creating decent work opportunities for workers, including women, persons with disabilities, migrant workers and indigenous and tribal peoples, among others.[3] Thanks to new platforms, work can be organized without prior investments in capital assets or hiring, and the work process

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[3] International Labour Organisation (ILO), *World Employment and Social Outlook 2021: The role of digital labour platforms in transforming the world of work* (Geneva, 2021). Available from www.ilo.org/global/research/global-reports/weso/2021/WCMS_771749/lang--en/index.htm.

can be managed with algorithms. However, employees on digital labour platforms often find it difficult to secure enough well-paid work to earn a decent income. Moreover, many have no access to social protection and may be unable to use collective bargaining to address the issues of concern.

18. The provision of social protection for workers employed on digital labour platforms raises major concerns. The COVID-19 crisis has exacerbated the situation of low coverage, as many employees have limited or no access to unemployment benefits or paid sick leave. With the expansion of such networks under COVID-19, the risks of undercoverage grew, with only a small proportion of workers on online web-based platforms having social security coverage. The findings of ILO surveys indicate that inadequate social protection coverage for workers on online web-based platforms is a concern across both developing and developed countries.

19. Although web-based platforms have the potential to create new job opportunities, the re-evaluation of platform work at the early stages of development is needed, with growing evidence of discrimination and harassment in the platform economy. Discrimination is evident in the gender pay gap, as are gender- and ethnicity-based exclusion from employment opportunities. Workers from developing countries are often prevented from gaining access to higher-paid tasks on employment platforms. There are also growing concerns about harassment and continuing structural problems on location-based platforms, exposing women to insecurity and violence.

20. Member States have undertaken efforts to bridge the digital divide in terms of investing in rural areas, providing access to employment, improving digital skills and various e-government initiatives. In Ecuador, the "Internet for all" plan aims to reduce the digital divide by creating community infocentres with access to computers and other equipment in areas with difficult Internet access. In Colombia, to bridge the digital urban/rural divide, technology is used to facilitate agricultural production, especially of coffee and cocoa, using artificial intelligence sensors. In Azerbaijan, a centralized electronic information system has been created to facilitate employment. It contains a registry of unemployed persons and jobseekers, as well as a vacancy bank of available jobs in the country and electronic employment services, enabling the electronic application for vacancies.

21. Investments in e-government and the promotion of civil education are conducive to digital inclusion. Some priority areas in e-government initiatives for Member States include the labour market, insurance and social benefits, health care and running a business.

Promoting digital inclusion among young people and children

22. Bridging the digital divide requires better investment in basic infrastructure, as well as in science, technology, engineering and maths education for young people, ICT education and skill development. Digital access policies should anticipate and address the potential negative effects of new technologies, such as their disproportionate impact on lower-skill workers and the risks they pose to the privacy and mental well-being of young people.

23. Countries with higher levels of digital technology adoption tend to have fewer young people not in employment, education or training.[4] Higher levels of digital technology adoption are likely to translate into greater engagement among young people in learning, education and employment, and in turn, greater youth engagement in those areas is likely to accelerate the adoption of digital technologies. Taking full advantage of this positive dynamic requires young people to be appropriately

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[4] See www.worldbank.org/en/publication/wdr2016/Digital-Adoption-Index.

supported in identifying, adopting, adapting to and commercializing new technologies to contribute to social development, in particular for young people residing in developing countries.[5]

24. Ensuring access to new technology-focused education is essential to youth employment and entrepreneurship and to sustainable development. Given the rising importance of technology both in school and in the labour market, access to technology-relevant (especially new digital technology) skills development and education is crucial for harnessing the talent and potential of young people, including those who aspire to become social entrepreneurs and contribute to the achievement of the Sustainable Development Goals.

25. Member States have noted that the digitalization of the information society is an opportunity to promote social inclusion through active participation opportunities. Young people are often pioneers of digitalization and the acquisition of new technologies and media, such as streaming or social media applications. At the same time, however, young people are vulnerable and exposed to risks. The Austrian youth strategy, through its media and information activities and media youth information, aims to strengthen the media competence of adolescents, families and educators through new media education workshops and seminars.

26. In Azerbaijan, a 12-month pilot subsidy programme as part of an International Labour Organization (ILO) project on the expansion of decent employment opportunities for young people has been operationalized. The purpose of the programme is to increase the employment of young people without work experience, by providing them with employment and encouraging job seekers and employers to use the platforms.

27. In Colombia, under the "young people in action" programme, virtual financial workshops have been offered, benefiting more than 30,000 young people. In Guatemala, efforts are under way to bridge the digital divide and ensure the social inclusion of young people through a strategy of virtual environments that started in 2020 as a tool for students outside the educational system. Its "alternative national education programme" aims to facilitate educational opportunities through virtual platforms, offering distance and online learning. The strategy is directed at 13- to 29-year-olds.

28. Since 2018, in Ecuador, the "Internet pact" has provided Internet access for children and adolescents, aiming to reduce the digital divide and inequalities. In Ecuador, owing to the COVID-19 pandemic and suspension of school, it has been challenging to guarantee education through digital means. In coordination with UNICEF, tablets, projectors and other equipment were provided to students and teachers. Free courses in Internet applications were offered, with the help of the private sector. In the Syrian Arab Republic, priority capacity-building and training workshops have been set up for industrial and agricultural work inspectors and occupational health and safety inspectors to reduce child labour, as well as workshops offering vocational training and life skills for adolescent children and their families.

29. In Malta, the improvement of digital literacy features as a policy action within its national strategic policy for poverty reduction and for social inclusion for the period 2014–2024; this has allowed for the provision of digital devices and e-content for children in need. In addition, the national children's policy also contains objectives around the protection and awareness-raising of children, parents and educators in the digital/online context. Moreover, its Ministry of Education's Directorate for Digital Literacy and Transversal Skills addresses digital literacy,

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[5] Department of Economic and Social Affairs, *World Youth Report: Youth Social Entrepreneurship and the 2030 Agenda* (New York, 2020), available from www.un.org/development/desa/youth/world-youth-report/wyr2020.html.

focusing on students, educators and parents. The efficient usage of media and the critical examination of sources, digital activity, online protection, disinformation and safeguarding one's digital footprint are among the digital literacy learning outcomes. A digital skills development programme has also been recently introduced in Poland.

30.   In the Philippines, digital literacy skills have been integrated into school curricula, including productivity tools, basic programming skills, multimedia skills, vocational skills and open source skills. Moreover, as part of its national digital inclusion initiative, the programme on technology empowerment for education, employment, entrepreneurship and economic development caters to disadvantaged communities and population groups, such as out-of-school young people, persons with disabilities, older persons and indigenous peoples. The programme centres offer ICT skills training in rural areas.

31.   Governments have also been investing in the digitalization of schools, providing them with access to fast, free and safe Internet, which will allow the use of ICT while working with each student. In Poland, efforts are under way to promote the digitization of schools and improve teachers' digital competencies. Owing to the COVID-19 pandemic, there has been an intensification of efforts to bolster teachers' and students' digital competencies and support managing bodies and schools to ensure that students can continue their education. Under COVID-19, funds were earmarked for various forms of support for local governments, schools, teachers and students, to provide additional equipment, network infrastructure, training, software and Internet access. In many countries, standards for teacher education now include mandatory ICT training.

Digital inclusion of older persons

32.   A survey by the Organization for Economic Cooperation and Development (OECD) of adult skills showed that older workers remained poorly equipped to work effectively in a digital world, with one third of 55- to 65-year-old workers lacking any computer experience. In the United States of America, one-third of adults aged 65 or older said they had never used the Internet, while the data in the United Kingdom of Great Britain and Northern Ireland indicated that more than half of those adults who had never used Internet in the country were aged 75 years and over, with a higher proportion of older men using the Internet than older women. In low-income and other developing countries, the technological challenges for older persons have been further exacerbated.[6]

33.   Communication barriers as a result of the digital divide, whereby older persons may not be able to gain access to relevant information about their rights and entitlements and about relevant services, can aggravate the sense of exclusion or marginalization. In labour markets, which increasingly require technological knowledge, the participation of older adults in the labour force can be negatively affected by the digital divide, affecting their ability to work and to ensure income security.

34.   In Mexico, the national institute of older persons (Instituto Nacional de las Personas Adultos Mayores) promotes the use of technologies by older persons through training, workshops and the dissemination of information on the benefits of digital technologies. Isolation owing to the COVID-19 pandemic highlighted the need for further training and access to digital technologies for older persons.

35.   In Poland, the "Active Plus" multi-year programme for older persons was introduced for the period 2021–2025. The programme includes activities aimed at increasing older people's digital competences, including skills of using modern

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[6] Department of Economic and Social Affairs, "Policy brief #68", available at www.un.org/ development/desa/dpad/publication/un-desa-policy-brief-68-covid-19-and-older-persons-a-defining-moment-for-an-informed-inclusive-and-targeted-response/; see also E/CN.5/2021/3.

technologies and new media, as well as disseminating and implementing technological solutions conducive to social inclusion.

Digital inclusion for persons with disabilities

36.   ICT has the potential to assist persons with disabilities in overcoming barriers to communication, interaction and information access. It can enable them to live independently thanks to increased access to employment, government services and education. Mobile ICT devices can assist with communication and allow users with disabilities to use the form of communication (e.g., voice, text, speech-to-text, video, etc.) that works best for them.

37.   However, such advantages are out of reach for many persons with disabilities. For instance, data from three countries in sub-Saharan Africa show that 15 per cent of households without persons with disabilities have been able to afford Internet costs, compared with only 8 per cent of households that include a member with a disability. Despite identical levels of education between persons with disabilities and those without disabilities among 11 countries in Latin America, persons with disabilities are less likely to use the Internet than those without disabilities.[7]

38.   Persons with disabilities also report lower Internet usage than persons without disabilities. The average gap reported in some countries was around 18 per cent, with some gaps ranging as high as 30 per cent. Moreover, countries with an overall higher Internet usage had wider gaps in Internet usage between persons with disabilities and persons without disabilities. Women with disabilities face a double challenge of discrimination based on sex as well as disability status; they are two times less likely to be employed, two times less likely to use the Internet and two times less likely to work as legislators, senior officials or managers, compared with their male counterparts. This may be due to lower employment rates, higher costs associated with health and living, as well as lower education rates. These factors have the potential to make obtaining Internet access and digital technologies more difficult financially for persons with disabilities compared with those without.

39.   To make ICT more accessible, measures have been developed to guide standards for websites, documents and other digital media. The Web Content Accessibility Guidelines, a product of the Web Accessibility Initiative, create a single shared standard of accessibility that caters to a wide range of impairments. Many national Governments have also adopted the guidelines into their national web accessibility standards, with some even bringing them into law.

40.   Nevertheless, despite the fact that 61 per cent of Member States have developed laws abolishing discrimination against people with disabilities and eliminating barriers to their full enjoyment of rights and their inclusion in society, only a small percentage of countries have laws and regulation aimed at eliminating the digital divide specifically.[8]

41.   In Azerbaijan, the "e-social" Internet portal allows persons with disabilities to have access to the information on their disability status and send appeals and enquiries. Special educational tools have been provided for children with visual impairments. A social project aimed at providing ICT for all has also been implemented, providing free training sessions on ICT solutions for persons with physical disabilities, as well as low-income families. A relief centre in Colombia helps

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[7] United Nations, *Disability and Development Report* (New York, 2019), available from www.un.org/development/desa/disabilities/publication-disability-sdgs.html.

[8] ITU, *Towards building inclusive digital communities*.

to improve the quality of life and social inclusion of persons with hearing disabilities through a platform comprising sign language interpreters.

42. In Malta, the national policy on the rights of persons with disabilities addresses and seeks to close the digital divide in the country. Its upcoming national disability strategy includes the expansion of rights to accessible ICT. The "Accessibility Plus" programme is the first comprehensive approach to accessibility in Poland. It aims to ensure free access to goods, services and opportunities for people with disabilities to help them participate in social and public life. The programme focuses on adapting public spaces, architecture, transport and products to the requirements of all citizens, including those with disabilities.

43. In Qatar, the National Committee for the Affairs of Women, Children, the Elderly and Persons with Disabilities prepared its national strategy for the period 2021–2025 on the rights of persons with disabilities, focusing on policy guidelines and rules on equal opportunities for persons with disabilities, working against discrimination against any person on the basis of disability and recognizing the diversity of persons with disabilities and the need to promote and protect their human rights. Moreover, a private institution of public benefit, the Mada Assistive Technology Center, was established in the country in 2010 to promote digital inclusiveness and build an accessible technological society for people with disabilities and older persons. Today, it has become a world centre of excellence for digital access in the Arabic language.

Digital inclusion for indigenous peoples

44. Beyond the devastating infection rates and disproportionate health impact of the pandemic on indigenous populations worldwide, COVID-19 has laid bare the immense digital challenges experienced by indigenous peoples. Even before the outset of the pandemic, the lack of connectivity in many indigenous communities had heavily limited opportunities relating to education, work, economic development and access to health care. The ever-growing digital divide also continues to play a significant role in widening economic, educational and social divides.

45. The transition to online or remote education throughout the pandemic has created specific challenges for indigenous peoples. Owing to high Internet access costs and low or non-existent network reliability or speeds, some indigenous communities have used mobile telephones to receive and send homework. Other communities without computer equipment have been left with no other educational alternative for their children. The closure of classrooms and the related educational implications have also meant that certain indigenous children no longer benefited from school food programmes. This has also had a detrimental impact on indigenous languages and their transmission. The COVID-19 pandemic has clearly demonstrated the limitations linked to the lack of control that indigenous peoples have over their educational systems.

46. In Africa, in particular, the lack of access to the Internet has had a devastating impact on the participation of indigenous peoples in international United Nations forums and processes. With the shift to online meetings and conferences, African indigenous peoples have been left behind. Their lack of participation owing to serious connectivity issues has essentially rendered them invisible.

47. Working in partnership with indigenous communities in an inclusive, open and transparent manner and fostering indigenous peoples' participation is essential. The concept of "nothing about us without us" is a paramount principle driving such partnerships. For its part, under the banner of recommended strategies to leave no one behind, UNESCO has called for the encouragement and support of capacity-building to produce local and indigenous content on the Internet.

Digital inclusion for women and families

48.   In terms of the family and a gender perspective, some Member States reported focusing mostly on families, children, adolescents and women. In Austria, the federal office for the positive assessment of digital games offers parents and educational professionals advice on the best digital games for young people. Its "Digi4Family" initiative aims at strengthening the media skills of the entire family and offers webinars, information and access to events. Another project, "Perspective: Arbeit", promotes a gender perspective in inclusive employment. It helps women affected by violence achieve financial independence by placing them in long-term jobs that will allow them to earn a living on the primary labour market, and aims to secure/improve existing jobs so that the affected women will be able to permanently leave abusive situations.

49.   In Poland, the Ministry of Family and Social Policy, together with local authorities, has been implementing a project providing support for children placed in foster care during the COVID-19 pandemic, including by purchasing computers and software for remote school tasks and for purposes directly related to combating the pandemic. In Colombia, efforts are under way to promote digital education for women through a dedicated information and communications technology programme.[9]

50.   In Malta, the upcoming strategy and action plan on gender equality and mainstreaming aims to address the gender digital divide from an educational and labour market perspective. It aims to introduce mentoring programmes, awareness-raising campaigns and further initiatives to encourage and empower more women and girls to study and work in the ICT sector.

III.   Promoting financial inclusion

51.   Financial inclusion encompasses delivering financial services at affordable costs to all members of society. It helps people to manage their financial obligations in an efficient way, to reduce poverty and support economic growth. Access to banking and credit is vital for all individuals but difficult for some, especially young people, older persons and other social groups. However, there is limited research on the financial inclusion of vulnerable groups, in particular persons with disabilities and indigenous peoples.

52.   Major transformations are taking place in the financial sector with the expansion of new forms of payment through digital platforms. The expansion of such new financial services may lead to greater financial inclusion of informal economy workers in developing countries. The trend may also lead to reductions in the labour force in the financial system.[10]

53.   The field of digital finance has a potential to bridge the gap of physical access to financial services. However, obstacles remain owing to the major gaps in connectivity and access to the Internet, low financial literacy and overall social awareness.

54.   For persons living in poverty, access to savings accounts alone can increase savings, consumption, productivity, the empowerment of women and investment in preventive health care. Broadening participation in the financial system by individuals and businesses further boosts a more inclusive economic growth.

55.   Inclusive digital finance is an important aspect of creating an enabling environment for young people. Digital connectivity allows young people to seek and receive information on traditional and alternative financing options and opportunities.

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[9] *Por TIC Mujer*, where "TIC" stands for "*tecnologías de la información y comunicaciones*".

[10] ILO, *World Employment and Social Outlook 2021*.

Digital financial services can be tailored to the needs of young people and combined with financial literacy applications, text messaging or gamification techniques so that young people not only have increased access to finance but are also able to engage in responsible financial management behaviours. It is important to give priority to finding cost-effective ways to reach remote young clients and other young people typically characterized as inaccessible.

56. Young people and women are often targeted in financial inclusion efforts. In Colombia, the National Economic and Financial Education Strategy advances digital transformation for financial inclusion. Such efforts have resulted in 82 per cent of adults having access to a financial product or service. Moreover, digital means are used for the provision of benefits under the "families in action" and "young people in action" programmes. Economic and financial education is included in primary and middle school curricula. Credit for women entrepreneurs is offered in Colombia through the "empowered women entrepreneurs" programme for women in microcompanies. Despite those efforts, barriers remain, including an insufficient number of products and services, limited competencies to take well-informed economic and financial decisions and weak institutional governance to implement inclusive economic and financial education.

57. In the Philippines, under its Economic and Financial Literacy Act, efforts are under way to promote economic and financial literacy through awareness-raising events and training, including basic economic and financial management classes. Efforts are also under way to ensure that economic and financial education becomes an integral part of formal learning. Other financial inclusion initiatives include promoting access to finance for micro, small and medium-sized enterprises and the agriculture sector. Financial learning activities for persons with disabilities have also been organized. Connecting women entrepreneurs to the digital economy project is a way to equip women entrepreneurs and expand their market through integrated digital marketing training and online storefronts, implementing digital marketing promotions and leveraging digital payments to become effective online entrepreneurs.

58. The improvement of financial literacy has been supported in Poland with a view to reducing social inequalities. Its strategy on financial education includes targeting young people with social platform-based educational programmes, in cooperation with the Polish Financial Supervision Authority and organizations of individual investors. Educational programmes about taxation, budget, managing expenses, understanding taxation and budget planning are carried out with a special focus on the financial inclusion of young people.

59. Older persons face distinct challenges in gaining access to and utilizing financial services and products. The average gap between credit age caps and life expectancy is 15 years, which means that many people live for over a decade without access to credit. Furthermore, in low- and middle-income countries, less than half of older persons have an account at a formal financial institution.[11]

60. Despite the demographic realities of population ageing, there are very few available resources aimed at better understanding financial inclusion in older age, as well as limited comparable data specific to their access and use of financial services. Available data show that there is a global variation in the proportion of adults who use formal financial services as they age. In high-income OECD countries, virtually all women and men held accounts, whereas in low- and middle-income countries, men are 9 per cent more likely than women to hold an account, with that gender-related

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[11] HelpAge International and Center for Financial Inclusion, *Ageing and Financial Inclusion: An Opportunity* (2015), available at https://content.centerforfinancialinclusion.org/wp-content/uploads/sites/2/2018/08/aging_and_financial_inclusion_an_opportunity.pdf.

pattern holding across the life cycle. Even as account ownership decreases with age, the gender gap persists across age groups. Data on the use of other financial services, such as digital payments and savings, show similar gender trends.[12]

61. Available evidence points to other common barriers faced by older persons. These include, but are not limited to, a lack of financial literacy and awareness; mistrust of financial institutions; poor financial infrastructure, in particular for older persons with limited mobility and in rural areas; age discrimination and abuse; and insufficient legal protection.[13] Furthermore, social isolation, dependence on family members, a lack of dedicated financial products for older persons and a reliance on financial professionals can also contribute to financial exclusion among older persons.[14] Several factors result in the greater vulnerability and financial exclusion of older women than older men: as women are poorer and live longer than men, they have lower lifetime earnings on average, are less financially and digitally literate and use fewer formal financial services.

62. Financial service providers are often cautious when engaging with older persons because of concerns about their financial capability, income instability and physiological issues. Such negative attitudes and ageist assumptions may be significant barriers to older persons gaining access to financial services. For instance, a study conducted in Europe found widespread discrimination in access to mortgages, loans and insurance, restricting the access to such services by persons above a certain age threshold.

63. For persons with disabilities, their inclusion in the workforce is often seen as a way of ensuring adequate income and overall financial inclusion. In some countries, mainstreaming disability in public employment services is under way, which can include job placement and support, guidance and training and the provision of relevant market information. Nevertheless, wage gaps between those with disabilities and those without persist.

64. Financial exclusion of indigenous peoples is also widespread and requires urgent attention. In Ecuador, schools for the economic inclusion of women offer training inclusive of indigenous and mestizo women. Financial inclusion of women, including older women, is also prioritized in the country, and loans are offered to women, including in rural areas, benefitting people of African descent, and mestizo and indigenous women.

65. In Qatar, the central bank promotes financial inclusion and financial literacy, activates secure financial transactions by mobile telephone, develops business policies and procedures that identify clients with disabilities and develops clear and specific measures to protect customer data and information and maintain confidentiality. To ensure the rights of customers with disabilities to equality in managing their financial transactions and the pricing of financial products and services, the Central Bank provides all financial services to clients with disabilities without incurring any interest, returns or fees. It also offers training for staff to assist persons with disabilities.

66. Qatar also seeks to strengthen the gender perspective in integration and social inclusion efforts by increasing women's participation in public life, and to strengthen the role of women by supporting them in balancing their family and parental roles with

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[12] World Bank and Better than Cash Alliance, "The role of digital financial inclusion in preparing for older age and retirement" (2019), available from www.betterthancash.org/explore-resources/the-role-of-digital-financial-inclusion-in-preparing-for-older-age-and-retirements.

[13] HelpAge International and Center for Financial Inclusion, *Ageing and Financial Inclusion*.

[14] Organization for Economic Cooperation and Development (OECD), "Financial Consumer Protection and Ageing Populations" (2020), available at www.oecd.org/daf/fin/financial-education/Financial-Consumer-Protection-and-Ageing-Populations.pdf.

professional responsibilities. It also adopts policies that help women to harmonize family responsibilities with work as one of the most important goals of women's empowerment, and provides higher education and rehabilitation opportunities for women, which have contributed to women's employment opportunities.

IV. Conclusions and recommendations

A. Conclusions

67. The COVID-19 pandemic has brought into sharper focus the digital divide within countries and between advanced and developing economies. The gaps in terms of reach and quality, as well as digital literacy, will be determining factors in the development of countries in years to come. As the digital divide involves both the supply (coverage) and the demand (affordability and digital literacy) gaps, it should be broached in both areas, with special attention to disadvantaged groups, as noted in the present report.

68. Addressing the digital divide requires concerted policy action, especially in the areas of equitable access to the Internet and to digital tools by disadvantaged social groups. It is imperative to develop and implement policies that ensure equality in access to ICT, as it is both a global commitment and a human right. Such policies should be worked out in cooperation with vulnerable groups.

69. Vulnerable groups, especially persons with disabilities, experience varied forms of discrimination, owing to their gender, age, abilities, location and other characteristics, reflected in a lack of access to social services, health care, education and employment. Many, such as young people, are less likely to be employed, while many others, such as indigenous peoples, are more likely to be poor. Those inequalities can be further exacerbated in the digital world and in the aftermath of the COVID-19 pandemic. It is then imperative to build back better in the digital world too.

70. Ensuring access to the Internet for all is of primary importance in bridging the digital divide. Internet access should be considered a public utility and may need to be subsidized, as is the case with other public utilities.[15]

71. As the world will rely even more heavily on ICT products and services after the COVID-19 pandemic, the risks of a growing digital divide are likely to be higher. Closing the digital divide and making ICT available, accessible and affordable requires the development of adequate legal and policy instruments, yet only a small percentage of countries have specific laws aimed at eliminating the digital divide. Such laws, policies and regulations should fully address the rights of all, with special attention to vulnerable groups and their right to social and societal participation in digitalized societies.

72. The further inevitable and imperative digitalization of economies is likely to deepen inequalities unless accompanied and sometimes preceded by policies to create digital infrastructure, ensure universal access to the Internet and digital tools and provide lifelong education and training to all citizens to take advantage of new jobs.

73. Moreover, social inclusion efforts leading to greater social integration should come about through systematic inclusion policies and by fostering a culture of inclusion. Information and communications technology has a great potential to

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[15] In 2018, the Human Rights Council in its resolution 38/7, on the promotion, protection and enjoyment of human rights on the Internet, affirmed that the right to have access to the Internet is a human right, calling on States to apply a comprehensive human rights-based approach in providing and expanding access to information and communications technology.

contribute to that goal, but challenges remain, with inequitable access to the Internet and digital tools, especially among vulnerable social groups, such as young people, older persons, persons with disabilities and indigenous peoples, who, when digitally excluded, are also socially excluded. As digital inclusion has recently become an essential component of social inclusion, the imperative of leaving no one offline has become part of leaving no one behind.

74. Disadvantaged groups face multiple forms of discrimination, as they cannot benefit from distance learning, telecommuting, access to e-commerce, health care, digital banking and other financial services. Beyond coverage, barriers in demand, including limited affordability and digital illiteracy, have become a critical barrier.

75. Furthermore, the COVID-19-induced crisis has demonstrated the necessity of closing the digital divide so that all can profit from distance learning, telecommuting, the electronic provision of social services and e-commerce and equitable access to banking services. The COVID-19 pandemic has also illustrated the urgency of equitable access to the Internet and digital tools, showing that the time has come for a bold and new approach with regard to bridging the digital divide and ensuring the digital literacy of all.

76. There is also a growing urgency to create digital inclusion strategies to bridge skills inequalities through education and training. Here, the rural to urban divide needs to be overcome by reaching out to remote and rural communities. Such initiatives should include community engagement to overcome the social isolation often generated by limited access to digital resources and education.

77. Importantly, the provision of quality education through technology has a great potential to promote digital literacy and prepare people for future jobs. With the increased use of technology in the classroom and remote learning, teachers need to be trained to use technology to its maximum potential. A focus on the digital skills literacy and competency of teachers and students is essential. The importance of ensuring access to the Internet and digital tools by children and young people cannot be overstated. Without them, children and young people are falling behind and miss out on the opportunities of the online world.

78. Digital inclusion of employees of the new digital platforms depends on the platforms' inclusive design and how well they address discrimination and harassment. It is also imperative to ensure access to social protection through these new forms of employment. Equally important is maintaining a gender perspective, focusing on females in each vulnerable groups, as they lack access to the Internet, digital jobs and digital financial services.

79. The commonly agreed framework to close the digital divide should focus on access, affordability, skills and awareness and relevance.[16] The COVID-19 pandemic should serve as a call to improve the digital preparedness, quality and inclusiveness of educational systems. Moreover, technology-related policies should be clear, articulated, and reinforced with regard to the use of digital devices, data-sharing, privacy and security, managing time and work performance expectations.[17]

80. The potential of digital financial tools for financial and social inclusion cannot be overstated. It is then imperative to overcome the discrimination in gaining access

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[16] Department of Economic and Social Affairs, "Policy brief #92", available from www.un.org/development/desa/dpad/publication/un-desa-policy-brief-92-leveraging-digital-technologies-for-social-inclusion/.

[17] Susan K. Walker, "Technology Use and Families: Implications for Work-family Balance and Parenting Education" (Department of Economic and Social Affairs, May 2021), available at www.un.org/development/desa/family/wp-content/uploads/sites/23/2021/05/Technology-Families-Background.pdf.

to financial services experienced by vulnerable groups. Measures for promoting full and equal access to formal financial services and financial literacy should be adopted to ensure the financial inclusion of all.

81. As the digital divide is growing and exacerbating existing inequalities between and within countries, it is often seen that the challenges related to the rise of the digital economy may make it more difficult for the Governments of developing countries to adopt necessary regulations to ensure fair competition for businesses and adequate protections for workers. It is then uncertain that new opportunities associated with the digital economy will promote decent work and create progress towards the achievement of the Sustainable Development Goals.

82. As the rapid development and diffusion of new technologies is bound to exacerbate the digital divide and other inequalities and pose threats to inclusive development, it is vital that policymakers consider the existing and future impact that such technologies will have on social inclusion and social integration and take urgent action to ensure the digital and financial inclusion of all.

B. Recommendations[18]

83. **Governments are encouraged to:**

(a) **Invest in ICT and harness its potential for advancing social inclusion and social integration;**

(b) **Increase efforts to bridge the digital divide through equitable access to the Internet and digital tools for all, with special attention to young people, older persons, persons with disabilities and indigenous peoples;**

(c) **Invest in digital inclusion, focusing on access, affordability, digital literacy and awareness raising, in particular by improving access to the Internet, lowering costs of access to make ICT more affordable, focusing on digital literacy through skills development and adapting technologies so they are relevant to the needs of different groups;**

(d) **Develop targeted strategies and policies that address the barriers to digital inclusion by disadvantaged groups, especially women and girls, persons with disabilities, young people, older persons and indigenous peoples, in collaboration with all relevant stakeholders;**

(e) **Invest in the digital provision of services, including social protection and birth registration, to empower vulnerable families and individuals;**

(f) **Ensure a gender perspective and invest in the digital inclusion of women, aiming at breaching the digital divide;**

(g) **Facilitate financial inclusion as a way to empower all, especially women and young entrepreneurs;**

(h) **Continue to share good practices in socioeconomic policymaking, aiming at achieving greater social integration through social inclusion, to ensure that no one is left behind and offline;**

(i) **Improve the collection and use of data disaggregated by age, sex and other relevant criteria for the formulation of policies and progress aimed at achieving social inclusion and invest in establishing metrics to measure digital inclusion and literacy.**

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[18] Further recommendations can be found in E/CN.5/2021/3 and A/74/821.