

**Session 1: Background**  
**1.2. Implementing the GMS Digital Economy Cooperation Initiative**  
**Developing a Digital Strategy for the GMS Program**

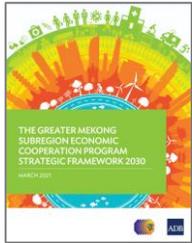


**2<sup>nd</sup> Meeting of the GMS Task Force on Trade and Investment**  
**Manila, 25 April 2023**



1.2. Implementing the GMS Digital Economy Cooperation Initiative  
“Formulating a Digital Strategy for the GMS Program”

# 1. Context



**GMS-2030** refers to the harnessing of the digital revolution as one of its six main innovative approaches for the GMS Program, with the objective to increase the use of advanced technologies across GMS operations and enhance regional cooperation and integration.



**GMS Digital Economy Cooperation Initiative** recognizes that the digital economy has become one of the most important drivers to promote innovation, competitiveness and economic growth for GMS members and the sub-region.



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## 2. Rationale



**Global rapid spread of ICTs and digitalization**, which is transforming the economy and society and has great potential to accelerate human progress and to develop knowledge societies.



**COVID-19 has accelerated the pace and need for digital transformation in the economy and society.** Fostering innovation is critical to mitigate the impact of the pandemic and achieve inclusive and sustainable economic recovery and growth.



**GMS countries share common challenges** hindering the subregion from fully integrating into a digital economy:

- limited access and use of the internet,
- digital divide within and between countries,
- low digital literacy,
- few digital policies,
- poor support to improving business ecosystems,
- limited engagement of the private sector.



**A regional approach towards digitalization in the GMS is essential** to fully benefit from transition to a digital economy. **The GMS Program, as an Open Platform**, can support ongoing initiatives by organizations such as ASEAN and UNESCAP.



## 3. Proposed Approach - Step 1



**The GMS Secretariat is to undertake a scoping study to provide the basis for drafting a Digital Strategy.** The study will:

- define the scopes and dimensions of digitalization (at the policy and technical levels) for the GMS Program;
- assess the current context of digitalization in the GMS countries, including levels of digitalization, national strategies and policies to enhance digitalization, driving forces and risks of digital transformation, and challenges and barriers for the digital economy;
- provide an overview of ongoing global and regional cooperation initiatives on digitalization which GMS countries are part of;
- identify preliminary entry points for the GMS program to support its member countries in the process of digital transformation and enhance digital economy, and
- propose the basis for the vision, objectives and structure of a Digital Strategy for the GMS Program.



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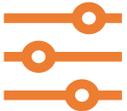
## 4. Proposed Approach - Step 2

Further to guidance from Senior Officials the **GMS Secretariat will develop a Digital Strategy for the GMS Program**. While the Scoping Study will ultimately provide the detailed substance for the Digital Strategy, it is proposed as of now for the latter to consist of:



- a defined mission, vision and set of objectives;
- a structured approach across key pillars of digitalization that will enhance innovation in the GMS Program;
- a set of indicative initiatives, programs and activities across the key sectors and themes of the GMS Program;
- a set of tools and actions aimed at supporting the implementation of the objectives of the strategy.

The GMS Secretariat will ensure that the **Digital Strategy is fully aligned with:**



- the GMS-2030
- GMS Digital Economy Cooperation Initiative
- ongoing activities of the GMS Program that include a focus on digitalization
- national digital strategies of GMS Countries as well as strategic and planning initiatives from relevant regional organizations



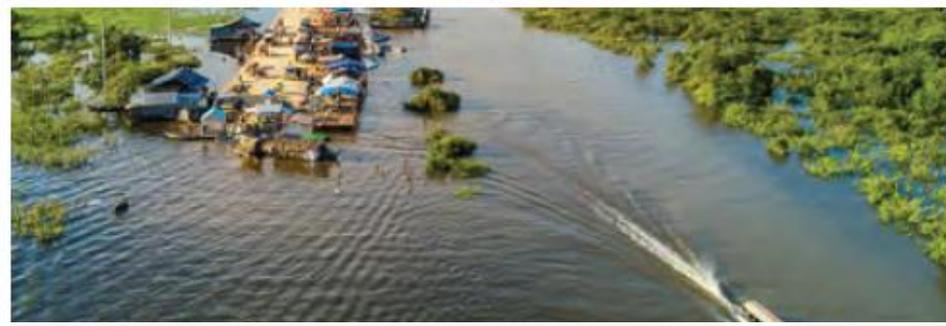
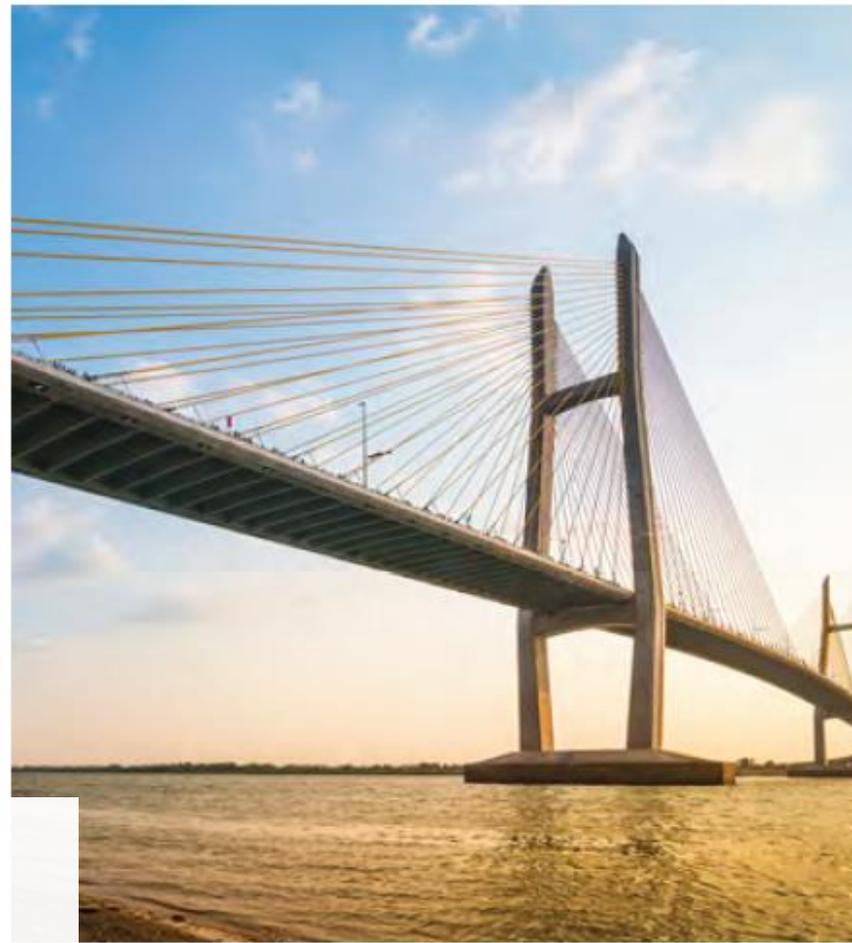
## 5. Timeline and Workplan

### Scoping Study

- **April 2023:** Mobilization of consultant
- **April-May 2023:** Desktop research
- **May 2023:** ADB internal consultation
- **June 2023:** GMS countries consultations.
- **July 2023:** Final drafting of Scoping Study
- **August 2023:** Circulation of Scoping Study to GMS Senior Officials

### Digital Strategy

- **August 2023:** Mobilization of consultant
- **September 2023:** First draft developed
- **September-October 2023:** ADB and GMS countries consultations
- **November:** Second draft developed
- **November-December 2023:** Final draft presented at SOM



**THANK YOU!**

