



THE DIGITAL TRANSFORMATION: TRENDS, TECHNOLOGIES AND THE IMPLICATIONS FOR TRADE POLICY

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<https://www.oecd.org/internet/ministerial>



INTERNET
OPENNESS AND
INNOVATION



BUILDING GLOBAL
CONNECTIVITY



TRUST IN THE
DIGITAL ECONOMY



JOBS AND SKILLS
IN THE DIGITAL
ECONOMY



The 2 technological pillars of digitalisation

• Digitisation → Atoms to Bits



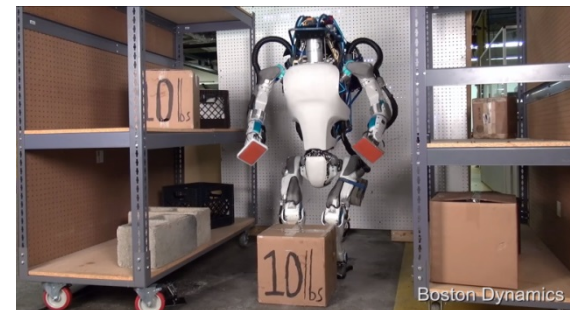
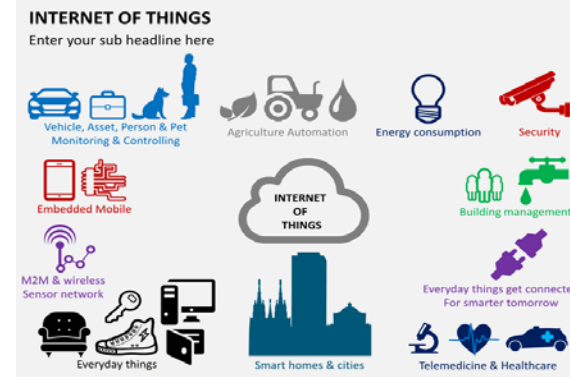
• Internet → Interconnection





An ecosystem of technologies ...

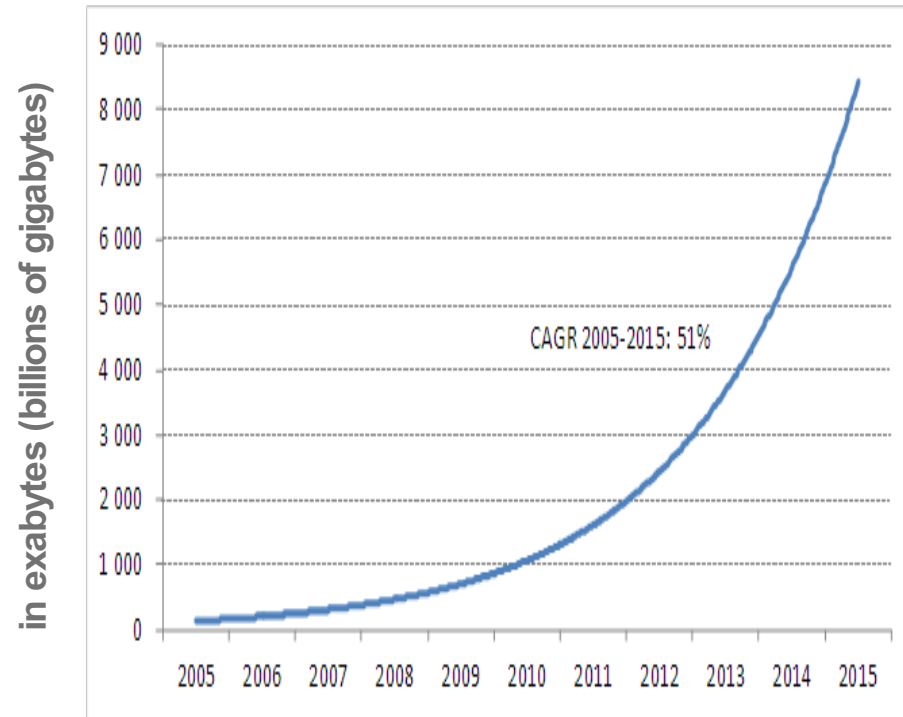
- Digitalisation results from an ecosystem of technologies that:
 - Builds on digitisation and the Internet
 - Is more than the sum of its parts
- These technologies include:
 - Cloud computing
 - Internet of Things
 - 3D printing
 - Artificial intelligence
 - Distributed ledgers





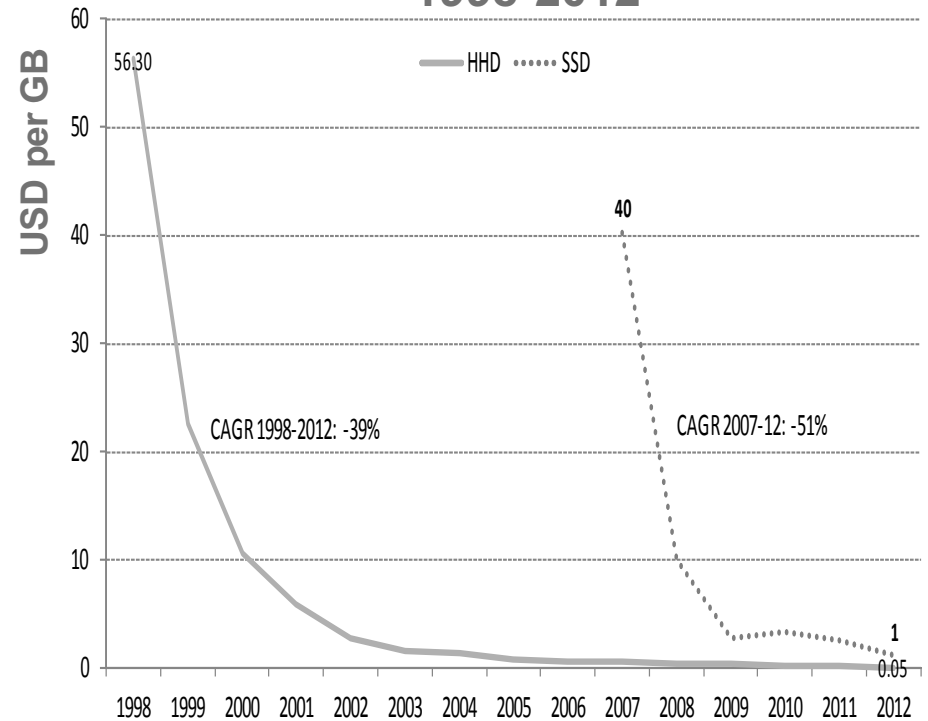
... with data as the enabling factor ...

Estimated worldwide data storage



Source: OECD based on IDC Digital Universe research project.

Average data storage cost for consumers, 1998-2012



Source: OECD based on Pingdom (2011)



... enabling new business models and trade opportunities.

**I don't need a car,
I need mobility.**



**I can afford this house,
by renting it out.**



**I don't need the post office,
drones can deliver my goods.**



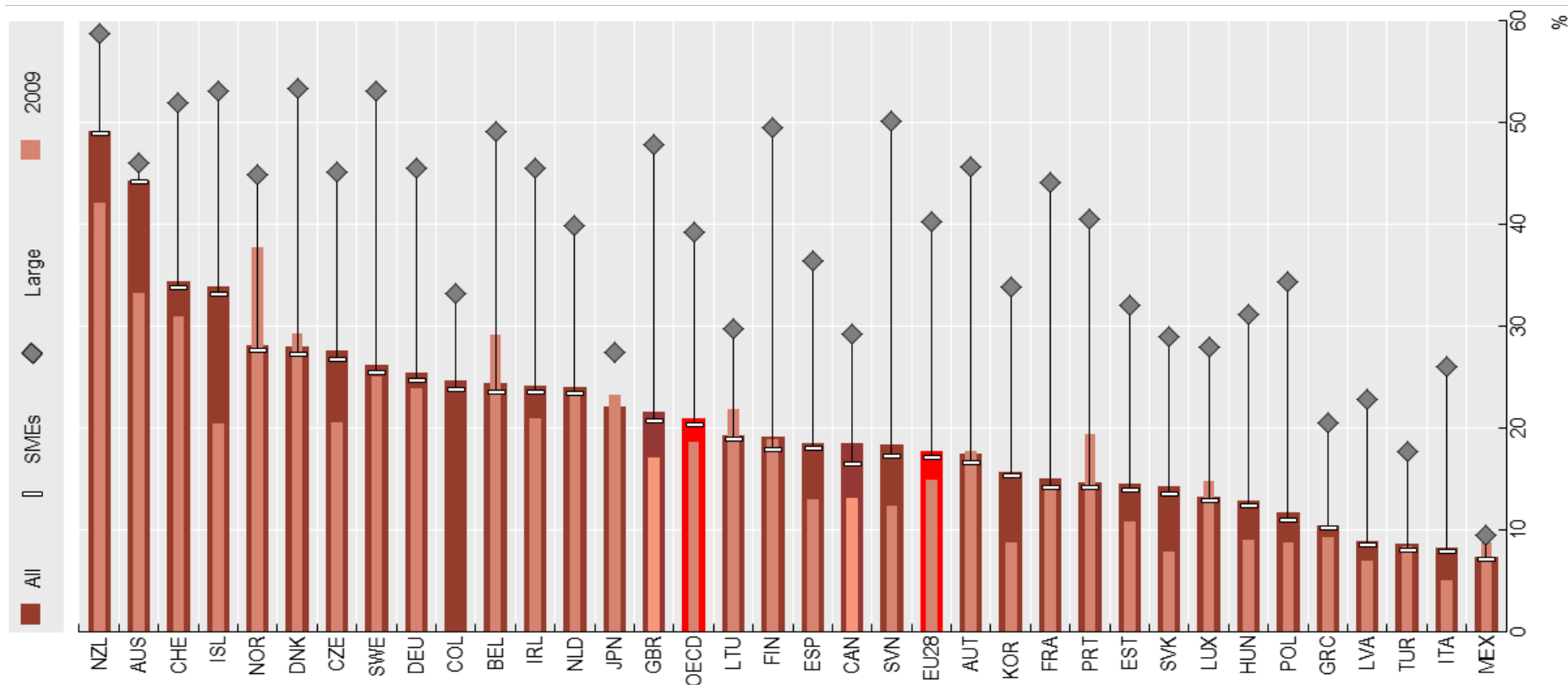
**I don't need a bank, I can use
blockchain.**





The Internet is becoming the new sea lane for trade ...

Enterprises engaged in sales via e-commerce
As a percentage of enterprises in each employment size class,
2009 & 2013



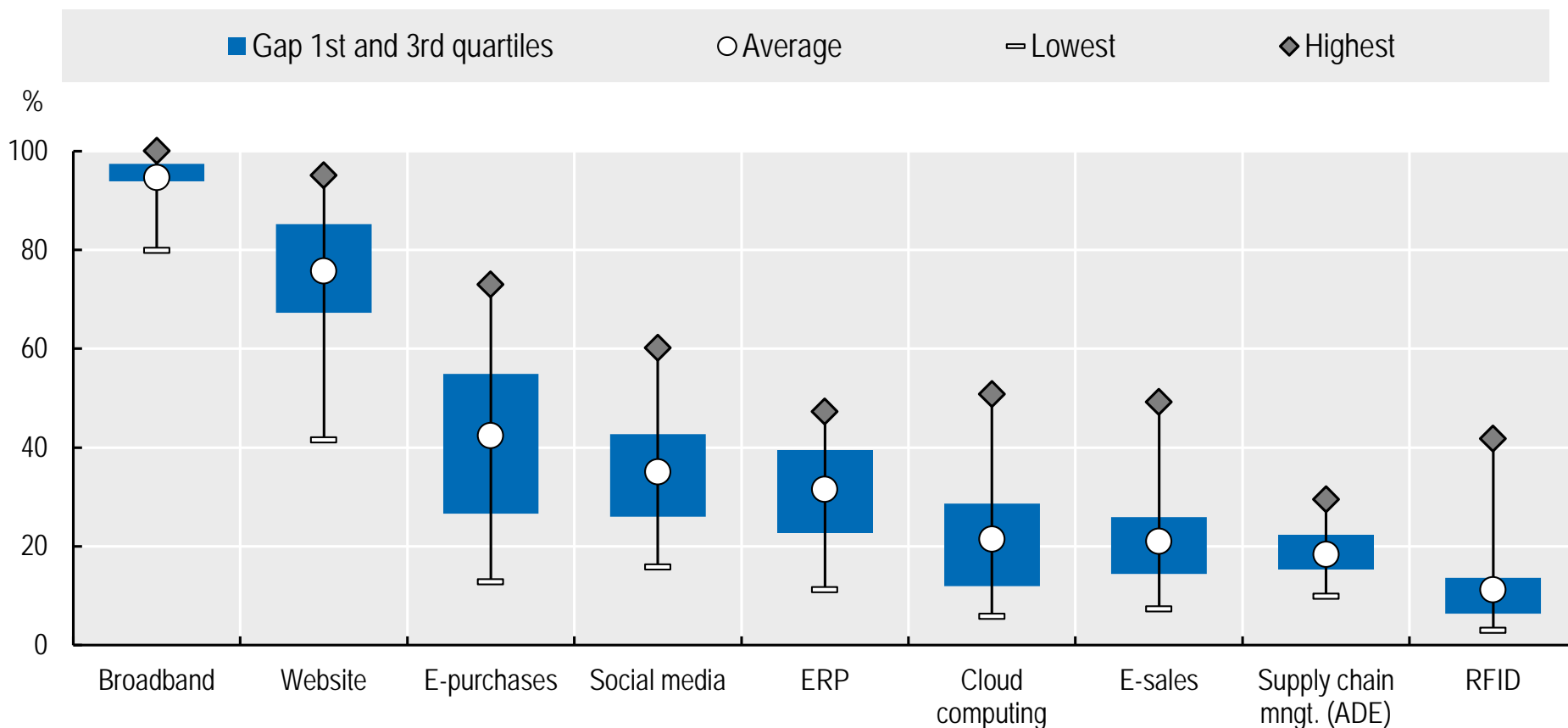
Source: OECD, Science, Technology and Industry Scoreboard 2015, OECD publishing.

<http://dx.doi.org/10.1787/888933274434>



... as firms also migrate to the Internet for more and better services...

Diffusion of selected ICT tools and activities in enterprises, 2014
As a percentage of enterprises with ten or more persons employed





... shifting global value chains





Trade Policy in the Digital Era

- The cross-border nature of trade is more fluid in the digital world, making defining and measuring trade more difficult
- There is a need to address legitimate concerns about privacy and security.
- The growth of cross-border e-commerce makes protecting consumers more pressing, but addressing complaints via trade agreements is complex
- The blurring of policy areas means that a whole of economy and society approach is essential



Key questions at the intersection of trade and other policy areas in a digital world

- Competition and market structure
- Measuring the digital transformation
- Making digitalisation work for society and well-being
- Policy design, implementation and reform
- Others? IP?



Thank you

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