G20 Consumer Summit
Building a digital world consumers can trust

Keynote address
Connection and innovation: making digital work for consumers

Good morning, ladies and gentlemen. . I am honoured to be here today to address you as the Honorary Chair of the Alliance for Affordable Internet. The Alliance for Affordable Internet is an initiative of the World Wide Web Foundation, dedicated to reducing the cost to connect and ensuring that everyone, everywhere can afford to benefit from the opportunities enabled through connectivity.
While I have been invited to make this keynote in my capacity as honorary chair of the alliance, I am afraid that my speech may be coloured somewhat by my experiences as a former policy maker, Minister of CT in Nigeria where my focus was on increasing connectivity and empowering Nigerian consumers through collaborative policy design and implementation; and more recently as a partner in a sub-Sahara Africa focused venture capital firm looking for opportunities that make digital work for the hundreds of millions of mobile phone users/consumers in Africa.

So with these three experiences, I will be speaking to the areas of policy, connectivity, innovation and commerce as they relate to the consumer's future in a connected world. I know that's a lot to cover, but I assure you that I will be brief and keep to the allotted time.

We live today in a world that is more connected than ever. This interconnectedness has spurred innovation in ways that we have never seen. The internet has revolutionised our world and radically altered the way we work, play, live, and consume. How do you explain the largest transportation company in the world that does not own a single car or employ a single driver, or the largest hotel that owns not a single square metre of real estate, or a developing economy where 34% of all financial transactions by value are made through a mobile phone by both the rich and the poor.

With little more than the touch of a button or the swipe of a screen, we can connect with friends, even if they are halfway across the world. We can check the news and the latest football scores, watch videos and play games, search for jobs, do research, engage in political processes, access financial services, manage our health and buy and sell goods and services. By the way I was speaking about uber, air bnb and mpesa in Kenya for the non-digital natives amongst us.

But there are lesser known but just as important innovations that are driven by this connectivity. I see this as I travel the continent in search of the African Unicorn (billion dollar valuation companies) or more modestly companies that will deliver a good return for the brave investors in our Africa fund. In many parts of the developing world the mobile phone and an internet connection are helping to solve many of the grand challenges that Africa is facing – inefficient and sub-optimised agricultural value chains, access to off grid energy, accountability and transparency of governments, inclusion, mega cities with poor infrastructure, high youth unemployment and dare I say it, identity management that facilitates inclusion and to a large extent ensures that no one, regardless of social, economic or demographic status is left behind.

The addressable market for many of these innovations, once limited by geography are now extended to any one that has a mobile phone and an internet connection.

Connectivity has become so indispensable to modern life that in 2015 the United Nations set a new global goal: universal, affordable Internet access for all by the year 2020. This ambitious goal underscores the importance of Internet access to global development and empowerment. Connectivity has and continues to deliver real social and economic benefits, and has enabled the creation and rapid growth of a diverse digital economy. The digital economy has in turn become such a significant contributor to and enabler of productivity and business that an empirical measure to estimate the contribution of the internet to GDP has now emerged and it is called the Internet GDP. The internet contributes as much as 8% to GDP in some countries but more importantly across majority of countries this measure is growing at a very fast rate. But the truth is that it is almost impossible to separate the contribution of the digital economy from that of the "ordinary economy". To consider the digital economy is to consider the global economy, and to consider the global economy is to consider the digital economy. Little wonder that the first thing you see when you click on the G20 website is the byline – shaping an interconnected world.

This is all good news indeed. But there are two major challenges that stand between us and more progress. They are: universal access and consumer trust.

While we talk about shaping an interconnected world or even living in a hyper connected world, over 50% of the world's population is still offline. That's 4 billion people, unable to participate as digital creators and consumers, unable to take advantage of the social and economic opportunities available online.

Sadly, this digital divide falls along gender and income lines — women and the poor comprise majority of the billions offline today. These populations are often already marginalised offline, and are now seeing these offline inequalities replicated online. Our failure to address barriers to access and enable connectivity for these groups risks exacerbating existing inequalities, stunting global economic growth and undermining development. Imagine this scenario: As half the world contributes to and benefits from being connected to the digital economy, living in homes connected to the internet and maybe even riding around in self-driving cars, the other half of the world might not even have basic broadband access. The greatest opportunity of the internet is inclusion and the world might just miss the opportunity if we do not only provide the access but make it affordable as well.

And affordability remains one of the biggest obstacles to achieving universal internet access. This is particularly the case in the developing world, where the cost of just 1GB of data can easily cost upwards of 20% of average income. Affordability is a challenge even across some of the economies of the G20. Even in those countries where that same 1GB of data can be purchased for just 1% of average income, income inequality means that prices that look affordable at a top level but actually remain out of reach for those lower income earners. Driving prices down to a level at which access becomes affordable even for these populations will be critical to bolster the digital economy and global development.

As our conversations move forward here at the Consumer's Summit, let us keep in mind that our work to enable access for all — even in our own countries — is far from complete. The technology to enable affordable, quality connections for all is there; what we must now do is develop and implement the policies needed to realise this vision — and we must do so urgently. The future of our economy and our world depends on it.

What then are the steps that we can take to bolster the base upon which our digital world is built?

We must prioritise. As it stands today, ICT policy tends to sit toward the bottom of most political agendas, pushed down by more visible economic, social, political or security challenges. You should know, I was a member of cabinet in a country that was and is still challenged on all these fronts. But just because an issue is more visible does not necessarily make it more important. Connectivity can have a multiplier effect on efforts to tackle many of these on-going issues — research has shown the power of connectivity to spur economic, political, and social growth and facilitate better security outcomes. Developing and implementing the policy frameworks needed to reduce the cost to connect and expand access must become a priority at the highest levels of government. These policies must support healthy competition, and at the same time, must focus on public access solutions to connect those who remain unable to afford even a basic connection.

We must collaborate. Governments must work together with service providers, with civil society and with other stakeholders to develop and put into place the policies needed to make universal internet access a reality, and to open participation in the digital economy to all. These policies must take into consideration local barriers to access and affordability and must specifically target those marginalised populations that today comprise the majority of the 4 billion offline. We must set out and work toward achieving a "1 for 2" affordability target — that is, 1GB of mobile broadband priced at 2% or less of average monthly income. A4AI research has shown that if countries were to achieve this "1 for 2" target, all income levels would likely be able to afford at least a basic connection. While working to achieve this target, we also must expand investment in and support for public access solutions and digital skills education. Public access solutions — including subsidised and low-cost access in schools and local centres, public WiFi, and community networks — are critical to reach groups that cannot pay for regular internet use, even once prices have reduced to an affordable level.

We must create a system of trust. As we work to expand access and strengthen the base on which our digital economy is built, **we must also be working to bolster consumer trust.**
According to Consumer International, 74% of people worldwide are concerned with how companies online use their information. In other words, there is little trust. This is clearly unacceptable. Just as there is no digital economy without access, a lack of consumer trust in our digital age threatens to jeopardise the achievement of significant future benefits and undo much of the progress we've made to date.
Last week, I was a judge in a global competition that was seeking innovative solutions to equal access to the internet. At some point in the proceedings the conversation turned to consumer trust and an important question was asked. As we

strive to bring down the COST of the internet and bring more people online, how aware or concerned are we about the PRICE that people have to pay for access. The internet was very creatively described by one of the speakers as a 'behaviour collecting machine' and it was asserted that this behaviour collection is the price we pay for connection. Knowingly or unknowingly.

Many of us have likely heard the argument that consumer issues are irrelevant in developing countries where citizens cannot afford basic staples, including a basic internet connection. This is absolutely not the case. The moment someone comes online, they become a participant in the digital economy. Many of those that will be coming online for the first time in the years to come are likely to lack the digital awareness that many of us have learned to adopt in order to protect ourselves in our online interactions. To ensure the safety and security of these future participants — and the billions of consumers online today — it is more vital than ever that we work to build and enshrine a system of trust in the digital economy.

Building trust is akin to a process and the first step in this process is to increase the ability of consumers to protect themselves online through creating more opportunities for digital skills education. As we double-down on our efforts to expand access, we also must ensure that people are able to use the internet effectively and safely. A lack of knowledge around how to use the internet continues to be a significant barrier to entry and participation for many — and particularly for women, who comprise majority of today's offline population. A study by the World Wide Web Foundation of women's internet use across 10 countries found that, among the urban poor, women were nearly 2 times more likely than men to cite lack of skills as a barrier to internet use.

Developing strong digital capabilities is critical for both women and men to take full advantage of opportunities for growth and development offered by internet access, as well as for ensuring that consumers are able to make smart choices to protect themselves online. Integrating basic digital and data literacy into school curricula at all levels — from primary to tertiary — and ensuring that teachers are qualified and supported to teach these skills would go a long way toward ensuring that all citizens are well equipped to make informed choices in the digital economy, choices that respect consumer privacy, choices that are based on clear and transparent information about services and products, and choices that do not put consumers at risk.

In addition to improving opportunities for digital skills education, we must work together and with government leaders to adopt clear laws and standards for

consumer protection online. And it is appropriate that the Ministry of Justice is a key stakeholder and partner in today's event.

As more and more of our daily lives move online, we each leave a massive data trail in our wake. Most of us do not know what digital traces we are creating, who has collected them or what they will be used for. Google apparently searches more than half a billion web addresses and knows a whole lot about every digitally active citizen than we could ever imagine. Companies rely on this data to personalise services and target adverts that will be most relevant to users. But this collection of data (or behaviour) can also lead to unintended consequences when we are profiled in ways that are detrimental to our interests, or when governments around the world take advantage of our digital trails to extend the state surveillance apparatus to unprecedented levels.

We must also seriously consider the effect of the explosion of the Internet of Things on privacy and consumer trust. Billions of inanimate devices including children's dolls and teddy bears, that are constantly collecting data about us as we go about our daily activities. Even in our sleep. According to Gartner research there will be more than 20bn devices connected to the internet by 2020. Innovations around the Internet of things are rife. So increasingly are the consequences for the lack of privacy that this portends as there is a lot less protection built into these devices when compared to our personal computers and smart phones.

Imagine, health insurance companies that reward or punish with premiums that are determined by the level of activity recorded by a wearable device. Smart TVs that collect our viewing data which can then be sold to interested parties for even more targeted marketing. Voice activated/controlled personal assistants that can now be used as evidence in court.

So much that in 2015, Samsung apparently was moved to warn customers that 'if your spoken words include personal or other sensitive information, that information will be among the data captured and transmitted to a third party through your use of voice recognition.

Mark Zuckerberg, founder and CEO of Facebook famously or infamously remarked that 'if you have nothing to hide, you have nothing to fear'. While this comment could have been made flippantly and there could be an element of truth in it, it does more harm than good in a world where consumers do not trust companies that have continent size populations as their user base.

This concern has been articulated quite eloquently by Mathias Dopner, CEO of Axel Springer, a German media group who said and I quote 'The essence of freedom is precisely the fact that I am not obliged to disclose everything that I am doing, that I have a right to confidentiality and yes, even to secrets; that I am able to determine for myself what I wish to disclose about myself. The individual right to this is what makes a democracy' End of quote.

We have a right to know what is collected about us and what it will be used for. And we have a right to transparent explanations of how our personal data is processed, sold, and used to make decisions for and about us. All of us — government and public sector policymakers, tech companies and service providers, activists and civil society — must come together to develop policy and regulatory frameworks that protect us online, and which put a fair level of control back into the hands of consumers.

It is up to us to ensure that the core foundation upon which a digital economy is built is based on trust, consumer trust. Trust that empowers all. Failure to act means leaving billions behind, inactions on our part could stunt progress and undermine achievement of the global Sustainable Development Goals — which have been signed onto by all G20 nations.

The good news is that we know the policy steps that we can — and must — take. A collective vision of our digital future and leadership and commitment to ensure that future is safe-guarded for consumers are two of the most important ingredients for success. Members of the G20, distinguished ladies and gentlemen, it is urgent that we prioritise and take urgent action to implement policies to enable affordable access for all, and laws and regulations to protect consumers online so that the digital economy is not undermined by a lack of trust.

Everyone — regardless of gender, income level or location — deserves the opportunity to participate in and take advantage of the potential offered by being a part of today's digital world without fear or apprehension.

Thank you.

****