



Digital  
Cooperation  
Organization

Enabling Digital  
Prosperity for all

# The DCO ANNUAL REPORT 2023



**Disclaimer**

This document presents the Digital Cooperation Organization's 2023 Annual Report prepared by the General Secretariat, and was presented to the DCO Administrative Council meeting on 12 December 2023, which approved the Annual Progress Report in its Resolution C/RES01/02/2023.

The Annual Report is published pursuant to Article 5.1 of the DCO General Rules of Procedure, which provides that an Annual Report shall be prepared annually by the Secretary-General and presented to the Council for approval.

It focuses on the progress made towards achievement of the strategic goals and objectives of the Organization from 1 January 2023 to 31 December 2023.

Its final and public version will be released at the Council meeting on 31 January 2024.

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# Message from the Chairperson



As the Bahraini Presidency of the DCO draws to a close, I am filled with a profound sense of gratitude and pride. I extend my heartfelt thanks to our Secretary-General and the dedicated team for their tireless efforts and remarkable achievements throughout this year, captured in this Annual Report.

As we transition from our role as President, the Kingdom of Bahrain remains committed to driving this initiative forward, ensuring its continued success and impact.

During our tenure in 2023, Bahrain has strived to enhance the visibility and footprint of the DCO, particularly through the United Nations platform. As the DCO Presidency, we have notably put great efforts in supporting

the creation of the DCO Group of Friends for Digital Cooperation, which I believe, has been a pivotal step in amplifying our voice and extending our reach on a global scale. This initiative has not only elevated our presence but has also fostered greater collaboration and understanding of the DCO's mission among the international community.

We have also tried to be an efficient advocate to support the DCO in welcoming additional Member States. The current process of expansion is a testament to our collective commitment to digital cooperation, inclusivity, and diversity. As we conclude our Presidency, we will continue to carry the voice of the DCO.

As we pass the baton to the next Presidency, we do so with confidence and optimism. The foundations laid and the progress made during our term and the Kingdom of Saudi Arabia's two years of Presidency have put the Organization on the right course to deliver its mission. Bahrain remains steadfast in its support and commitment to the DCO, and we look forward to witnessing the continued growth and success of our Organization.

**H.E. Mr. Mohamed bin Thamer Al Kaabi**  
Minister of Transportation and Telecommunications, Kingdom of Bahrain  
Chairperson, Digital Cooperation Organization

Together, we have made significant strides in shaping a more connected and digitally cooperative world. Bahrain is honored to have been a part of this journey, and we eagerly anticipate the continued evolution and impact of the DCO in the years to come.



# Introduction from the Secretary-General



As we stand at the threshold of a new era in digital cooperation, we reflect on a year of significant milestones and forward momentum for the Digital Cooperation Organization (DCO). The year 2023 has been a pivotal period in our journey, one where we have built, together with the Presidency of the Kingdom of Bahrain, a strong foundation for future endeavors, particularly as we anticipate the exciting transition to the esteemed Presidency of the Hashemite Kingdom of Jordan in 2024 and continue striving to achieve our mission.

This past year, the DCO has witnessed remarkable engagement strengthen global partnerships and driving tangible impact with the valuable support from our Member States. Notably, our first-time participation

in the United Nations General Assembly's as an Observer, marked a significant moment. It was there that the world acknowledged the undeniable truth: digital integration is not just a pathway, but a necessity to accelerate the Sustainable Development Goals (SDGs).

After 2022, which was a key year to establish the Organization with the establishment of our Rules of Procedures and our Strategic Roadmap for 2030, we have focused in 2023 on delivering impact. Our efforts have been bolstered by the addition of new members, including The Gambia, Ghana, Bangladesh, and Qatar, each bringing invaluable perspectives and renewed energy to our collective mission. I am also grateful for the eighteen new Observers that have joined our Organization this year.

A key focus of our work has been building strong collaborations with other organizations to complement and enhance important agendas, particularly in the key matters of women's empowerment, youth engagement, and sustainability. These partnerships have been vital in amplifying our impact and extending our reach, ensuring that our initiatives resonate across diverse communities and sectors.

As we look back on this transformative year, we are reminded of the power of collective action and shared vision. The DCO's achievements are a testament to the commitment and dedication of our Members, Observers, and partners. As we move into 2024, under the capable and visionary leadership of the Hashemite Kingdom of Jordan, we are poised to continue

this journey with renewed vigor and purpose committing to Achieving social prosperity and growth of the Digital Economy by unifying efforts to advance digital transformation and promote common interests.

Together, we are charting a course towards a future where digital cooperation is a lived reality, empowering individuals, and communities across the globe. Our journey is one of hope, innovation, and unwavering commitment to a world where digital technology is a force for good, driving progress, equity, and sustainable development for all. This Annual Report aims to inform our Member States and the whole DCO ecosystem of our progress on the various ongoing activities, while presenting to the world the essence of the DCO.

Deemah AlYahya  
Secretary-General  
The Digital Cooperation Organization

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Executive summary

The Digital Cooperation Organization (DCO) has experienced a year of significant milestones and growth in 2023, as detailed in this 2023 Annual Report on the work of the Organization. With the strategic leadership of Bahrain as Presidency, the DCO has reinforced its foundation and expanded its global impact in digital cooperation, through the implementation of activities and initiatives:

**Global Engagement and Partnerships:** The DCO's active participation in the United Nations General Assembly and the establishment of the Group of Friends for Digital Cooperation marked major strides in enhancing its global advocacy for digital integration and sustainable development.



**Membership Growth:** The inclusion of new Member States like The Gambia, Ghana, Bangladesh, and Qatar, along with six new Observers, has enriched the DCO with diverse perspectives and strengthened its collaborative mission.



**Focus on Emerging Technologies and Cross-Border Data Flows (CBDF):** The DCO emphasized the safe, inclusive, and sustainable use of emerging technologies. The CBDF initiative made significant progress, highlighting the need for interoperability and common standards in data governance.



**Commitment to Inclusion and Sustainability:** Efforts in fighting the digital divide, promoting safe online spaces and sustainability in the digital sphere have been a priority, aligning with the UN's Sustainable Development Goals.



**Strategic Reports and White Papers:** The DCO produced several key reports and white papers addressing crucial topics like the Metaverse, Misinformation, and Generative AI, providing insights and policy recommendations for a thriving digital economy.



**Initiatives for Digital Prosperity:** The DCO launched various initiatives like the Digital Foreign Direct Investment (DFDI) and Digital Taxation, focusing on creating an environment conducive to digital growth and fair international taxation.

**Empowering Startups and SMEs:** Through initiatives like Startup Guides and the STRIDE Association, the DCO has facilitated knowledge sharing and support for startups and SMEs, aiding their expansion in international markets.

**Operational Excellence and Diverse Team:** The DCO secured operational independence in 2023 and implemented various policies for operational excellence. Our team, representing 21 nationalities with 40% women, reflects the Organization's commitment to diversity.



The DCO launched various initiatives like the Digital Foreign Direct Investment (DFDI) and Digital Taxation

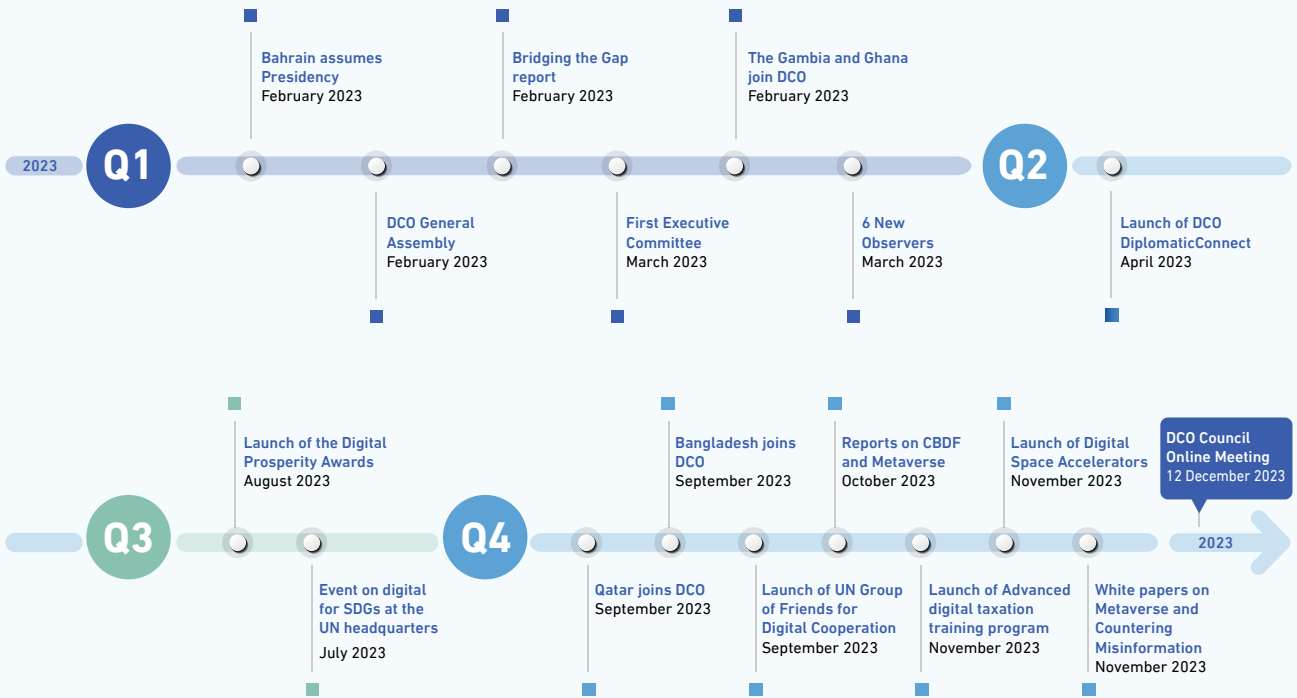


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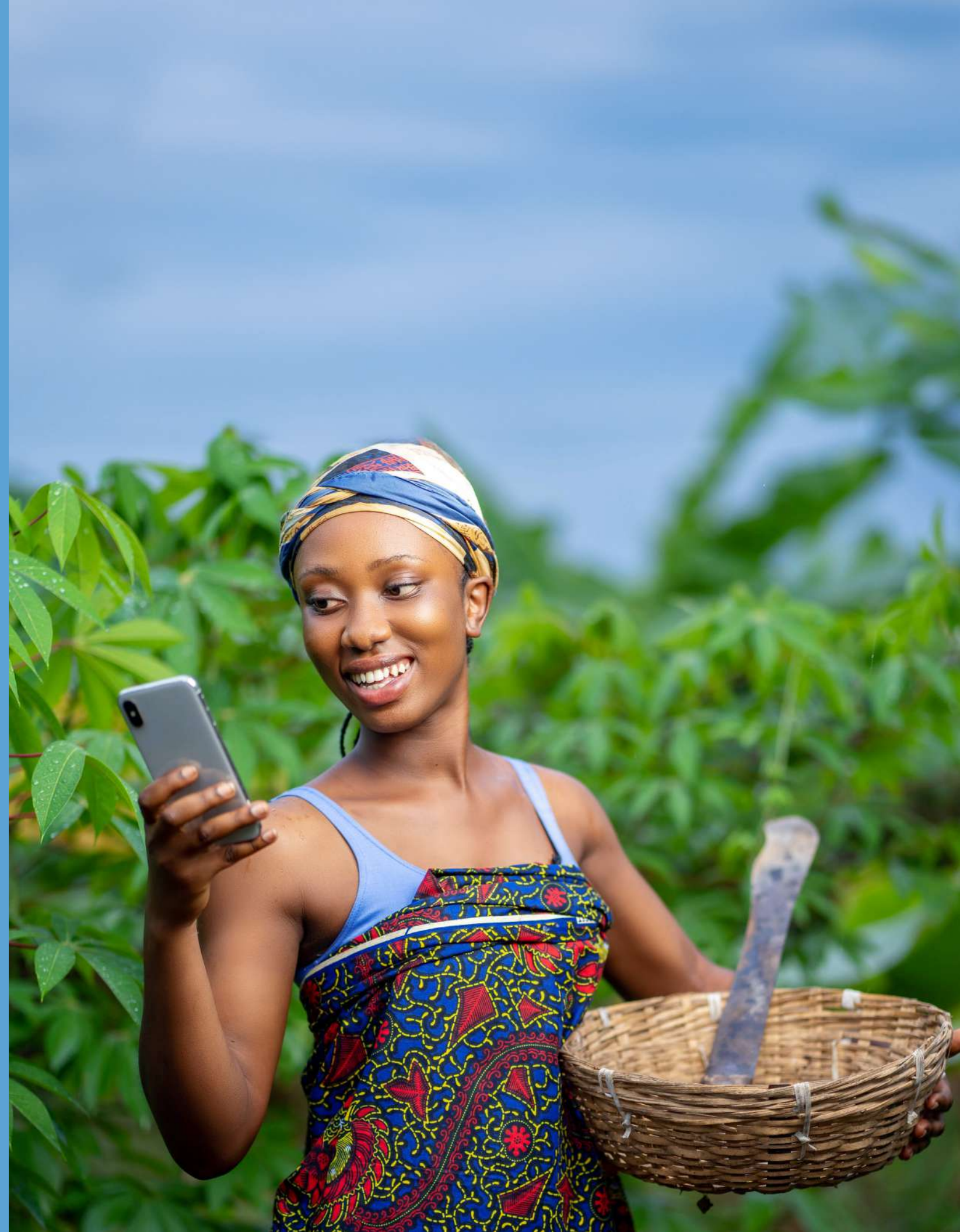
Our team, representing 21 nationalities with 40% women, reflects the Organization's commitment to diversity.

A YEAR OF ACTION: 2023 HIGHLIGHTS





# The purpose of the DCO





The purpose of the DCO

The Digital Cooperation Organization (DCO) is an intergovernmental organization dedicated to advancing digital cooperation and enabling prosperity for all.

At a time when the widespread adoption of digital technologies, online platforms, e-commerce and digital services is radically transforming the way we live, work and do business, the DCO is dedicated to achieving social prosperity and the growth of the digital economy by unifying the efforts of our members to advance digital transformation and promote common interests.

Founded in 2020 by 5 founding Members, the Organization now gathers 15 Member States from 4 major regions (Africa, Asia, Europe, and the Middle East), and 34 Observers.



**15 Member States**  
from 4 major global regions

- |          |            |              |
|----------|------------|--------------|
|          |            |              |
| Bahrain  | Bangladesh | Cyprus       |
|          |            |              |
| Djibouti | The Gambia | Ghana        |
|          |            |              |
| Jordan   | Kuwait     | Morocco      |
|          |            |              |
| Nigeria  | Oman       | Pakistan     |
|          |            |              |
| Qatar    | Rwanda     | Saudi Arabia |

In recent years, technologies that were once used only by specialized industries have become accessible to all, bringing unlimited opportunities for innovation, economic growth, and connectivity. The Metaverse, Artificial Intelligence, Internet of Things, predictive and generative technologies, 5G/6G, Space communications, and more, have already become integral parts of daily life for many communities.

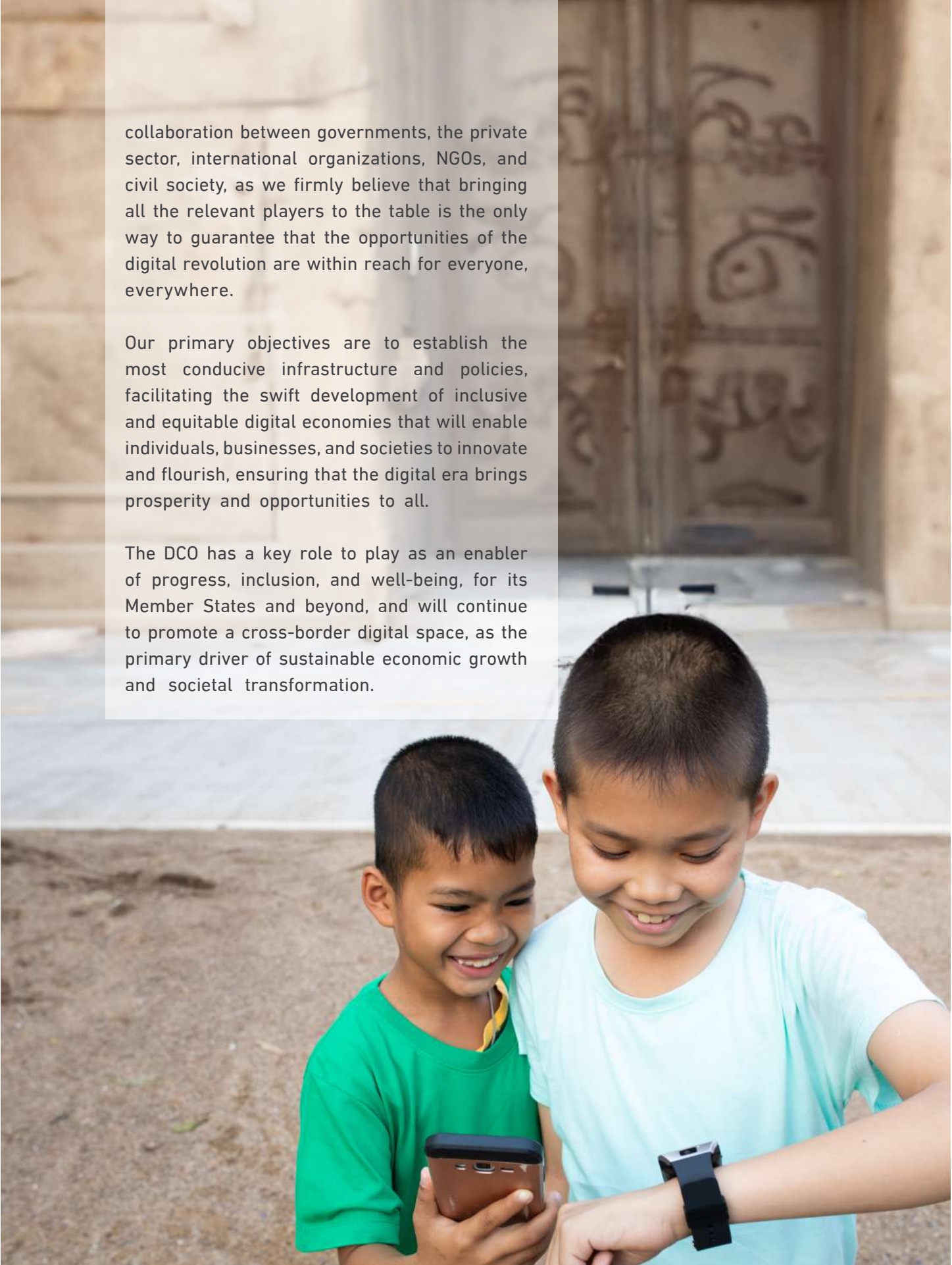
Nevertheless, the ascent of new technologies and the digital economy has been uneven across the globe, and the most vulnerable economies may not fully harness the potential of these innovations. If no action is taken, there is a risk that the digital divide intensifies, potentially to a point where it can never be bridged.

We remain convinced that the Digital Economy represents a unique value to the world, and if properly regulated and accessible to all, has enormous potential as an engine of prosperity for all. To that aim, we are actively promoting

collaboration between governments, the private sector, international organizations, NGOs, and civil society, as we firmly believe that bringing all the relevant players to the table is the only way to guarantee that the opportunities of the digital revolution are within reach for everyone, everywhere.

Our primary objectives are to establish the most conducive infrastructure and policies, facilitating the swift development of inclusive and equitable digital economies that will enable individuals, businesses, and societies to innovate and flourish, ensuring that the digital era brings prosperity and opportunities to all.

The DCO has a key role to play as an enabler of progress, inclusion, and well-being, for its Member States and beyond, and will continue to promote a cross-border digital space, as the primary driver of sustainable economic growth and societal transformation.





# The DCO Strategic Roadmap for 2030: The driver of the DCO's actions

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The DCO Annual Report 2023 is aligned with the DCO Strategic Roadmap for 2030, which was endorsed by the Member States at the 2<sup>nd</sup> Council Meeting of the DCO held in November 2022. This Roadmap contains the Vision and Mission of the DCO, the Organization’s core functions, its goals, and the flagship initiatives that will guide the work of the Organization towards delivering impact.



Vision and mission

With the mission of achieving inclusive social prosperity and growth of the digital economy by unifying efforts to advance digital transformation and promote common interests, the DCO strives to create a world where every country, business and person has a fair opportunity to prosper in a cross-border and sustainable digital economy.



Functions

To fulfill our mission and reach our goals, the DCO focuses on four core functions, which dictate its type of action:

- 1. Information provider:** The DCO provides reliable and comprehensive data, insights on existing trends and technologies, and foresight on future challenges.
- 2. Advocate:** The DCO defends the interests of its Member States at the global level, contributing to and initiating international discussions, and promoting legal and normative guidelines on specific subjects.
- 3. Advisor:** The DCO guides its Member States and provides tailored, evidence-based advice to help them take action to make the most of the data, information, and normative frameworks.
- 4. Facilitator:** The DCO aims to support concrete, high-value projects aligned with its mission and goals, acting either as a direct project executor or a funding facilitator.



The DCO strives to create a world where every country, business and person has a fair opportunity to **prosper** in a cross-border and sustainable digital economy



The DCO provides **reliable** and comprehensive data



The DCO **guides** its Member States and provides tailored evidence



Goals

The DCO’s initiatives are driven by strategic goals set for 2030, identified as top priorities aligned with fulfilling the organization’s mission.

01

**Empower businesses of the DCO cross-border digital market to thrive in the global digital economy.**

02

**Leverage the full potential of data across the DCO ecosystem**

03

**Foster an inclusive, human-centric, and sustainable digital economy**

The DCO asserts that the Digital Economy represents a unique value to the world, and if properly regulated and accessible to all, has enormous potential as an engine of prosperity for all.

Bearing in mind the prevailing challenges, evolutions, and transformation of the Digital Economy, the Organization’s functions, goals, and objectives for 2030 were defined by identifying the gaps and proposing a unique strategic positioning, without duplicating existing efforts globally.



# I. DCO 2023 Key Areas of Focus

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In the dynamic landscape of today’s rapid technological evolution, the DCO has identified six priority areas of collaboration in 2023, which have guided the DCO’s work in term of knowledge sharing and outreach throughout the year:

- Emerging technologies
- Cross-border data flows (CBDF)
- Digital inclusion
- Internet governance
- Sustainability

Those priorities are completed by the transversal aim to **share knowledge**.

Emerging technologies

In the dynamic landscape of digital evolution, the DCO strategically prioritizes emerging technologies; such as Artificial Intelligence (AI) and the Metaverse, recognizing that these are not just tools, but catalysts for unprecedented change in the way we live, work, and socialize.

With the Metaverse and AI projected to reach a combined worth of \$20.7 trillion by 2030, the DCO acknowledges the profound impact these innovations have on economies, governance, and societal structures and call for global awareness and cooperation.

Throughout the year, our efforts have aimed to inform and advocate for addressing the problems posed by emerging technologies, and to prevent the marginalization of developing countries which could perpetuate the digital divide. In particular, the DCO advocates for a safe, inclusive, human-centric, and sustainable use of those emerging technologies.

Cross-border data flows

DCO Member States consider cross-border data flows as a crucial issue. Across sectors, global data flows are more than ever vital to businesses, including for micro, small, and medium-sized enterprises (MSMEs). The free flow of data is a key enabler of global value chains and the growth of digital commerce more broadly.

While national approaches to cross-border data flows can widely differ across countries, there is a near-term opportunity to create wider regulatory frameworks and interoperability mechanisms, to further align DCO Member States’ approaches of cross-border data flows.

This constitutes a major topic for the DCO, regarding the aim for expansion of digital trade across the DCO ecosystem. Therefore, the DCO’s work on cross-border data flows has put an emphasis on interoperability.



The DCO strategically prioritizes **emerging technologies**



The Metaverse and AI projected to reach a combined worth of **\$20.7** trillion by 2030



The DCO advocates for a safe, inclusive, **human-centric**, and sustainable use of those emerging technologies.

Inclusion

In 2023, the DCO has been steadfast in its commitment to advocating for digital equality within the United Nations (UN) framework.

Our primary focus has centered on two key issues: defending human rights online and promoting digital inclusion and connectivity.

The DCO seized the opportunity of its Observer status at UN events to make its voice heard on issues of inclusivity in the digital space.

It called for global cooperation to protect and promote digital rights for all individuals, aiming to significantly reduce inequalities in this sphere.



Internet governance

Internet governance plays a pivotal role in fostering digital cooperation and ensuring a harmonized and inclusive global digital landscape. Effective internet governance is crucial for addressing challenges such as data privacy, cybersecurity, and digital rights, while also promoting innovation, accessibility, and digital inclusion.

By advocating for the establishment of principles and frameworks that encourage collaboration, transparency, and accountability, the DCO is laying the foundations to build a coherent internet governance. In 2023, the DCO was particularly committed to the cause of fighting misinformation.

Sustainability

For a long time overlooked, the issue of sustainability in the digital sphere has become an absolute priority in recent years. In 2019, the UN Secretary-General, Mr. António Guterres, emphasized this by stating:



Mr. António Guterres

“Of the SDGs’ 17 goals and 169 targets, not a single one is detached from the implications and potential of digital technology.”

As the United Nations is currently building an ambitious agenda in this regard, notably with the United Nations Global Digital Compact, to which the DCO Strategic Roadmap for 2030 is aligned, the DCO is actively engaged in providing solutions to limit the negative environmental and social impacts of digital technologies, leveraging the potential of digital to advance the Sustainable Development Goals, and advocating for the importance of the digital to realize the UN 2030 agenda.



## II. Progress on DCO's activities in 2023

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To deliver on these priority areas, the DCO has led several activities, all linked to the Organization’s functions. In particular, the DCO produced reports, organized webinars and workshops, and actively participated in numerous high-level international forums and discussions, especially within the UN system, to advocate for our Member States’ perspectives and emphasize the urgent need for international cooperation on a wide range of issues related to the digital economy.

Increased knowledge: Our Reports and White papers

In 2023, the DCO has released 5 key reports and white papers, accessible on the DCO’s online library:



**Bridging The Gap:**  
Where Cooperation is the Key to Inclusive Prosperity  
March 2023

The report delves into the challenges and opportunities of the digital economy. It draws upon an extensive research approach, including

-  a review of over **50** online publications
-  interviews with **37** digital experts
-  a proprietary survey involving **750** consumers
-  **250** businesses across 12 countries
-  **5** roundtable discussions held globally

It identifies seven key barriers preventing individuals and companies from fully tapping into the potential of the digital economy, and formulates eight key recommendations to bridge the gaps create a more inclusive digital economy, which encompass:

- 01** | Affordable digital connectivity,
- 02** | Building digital skills
- 03** | Supporting SMEs and startups
- 04** | Establishing clear digital policy principles
- 05** | Creating common data standards
- 06** | Facilitating best practice sharing
- 07** | Better regional policy coordination
- 08** | Improving digital policy consistency.



**The Metaverse:**  
Policy Implications for A New Digital Frontier  
October 2023

This white paper, realized in partnership with Whiteshield, details a set of policy implications of the metaverse for all stakeholders, particularly for policymakers, with an aim to understand how they can shape a human-centric, accessible, sustainable, and inclusive metaverse.

It also explores some notable use cases of the metaverse, discussing both their potential and current limitations or challenges, and presenting some policy considerations associated with each use case.



**Enabling Cross-Border Data Flows Amongst the Digital Cooperation Organization Member States**  
October 2023

The report provides a detailed overview of the data governance regulations of **10** Member States of the DCO. It stresses the importance of developing common standards and principles for cross-border data flows that are acceptable to all DCO Member States, highlighting the economic opportunities and the business costs from limiting the cross-border data flows.

The report is a valuable resource for Member States and beyond, in developing effective policies and regulations, analyzing interoperability mechanisms maximizing cross-border flows of data and formulating recommendations to achieve interoperability of cross-border data flow rules, particularly regarding the flow of personal data, the interconnection of financial payment systems, and the cross-border recognition of digital IDs.

DCO Member States received a complementary Policy Brief summarizing the key findings and policy recommendations of the report



**From Social Media to Truth: Countering Misinformation for a Thriving Digital Economy**  
November 2023

This white paper explores the misinformation phenomenon and the role of social media platforms, examining its impact on the digital economy through a Systematic Literature Review. The paper highlights the challenges faced by several stakeholders in combating online misinformation. It also discusses fact-checking tools, their limitations, and the potential for co-designing a state-of-the-art fact-checking tool to address online misinformation.

The paper provides key recommendations for stakeholders, including suggestions for policy changes, non-regulatory proposals, and for promoting digital cooperation. It emphasizes the importance of raising public awareness, promoting the use of emerging technologies, and encouraging active participation from civil society to protect communities from misinformation and enhance consumer trust in social media platforms, ultimately fostering a more informed and resilient digital economy.



**Generative AI, its tools and impacts on the Digital Economy**  
December 2023

The white paper tackles the opportunities of implementing a GenAI mechanism within DCO Member States and also highlights the key challenges relative to GenAI in both the public and private sectors.

It contains the DCO’s recommendations for the creation of a sustainable GenAI framework, in which the GenAI mechanism could be human-controlled and more responsible, for a safer, and more sustainable digital economy.



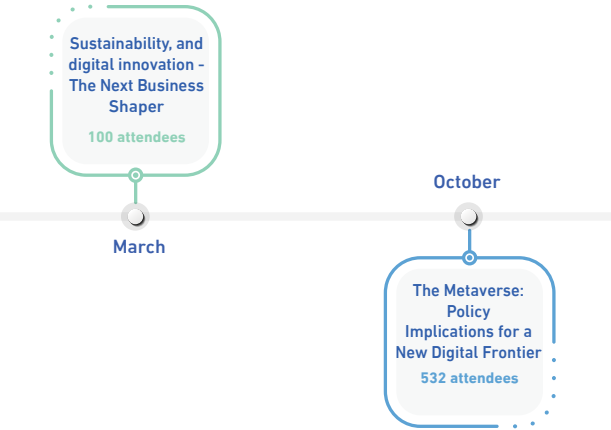
Further collaborative thinking and solutions

DCO Space – Our webinars

The DCO Space is an interactive digital platform that brings experts in the digital landscape to accelerate cooperation to define actionable outcomes against current digital challenges in the global digital economy, through dialogues, panel discussions and talks.

DCO Space in 2023

In 2023, the DCO hosted 3 DCO Space webinars directly linked to the Organization’s priority areas.



Focus 1

The DCO Space: “Sustainability, and digital innovation - The Next Business Shaper”  
March 2023

During the webinar, the DCO raised awareness about the interplay between ICT and sustainability, focusing particularly on the global community, and more specifically within the DCO community.

The participants discussed the most crucial risks posed by ICT to various sectors, including the environment, social structures, the economy, and governance.

It allowed to debate on possible solutions and guidelines to manage and mitigate these ICT risks in the pursuit of sustainability.

An emphasis was also placed on establishing a foundation for potential collaboration between DCO Member States, NGOs, and international organizations to foster the growth of the digital economy, especially in developing countries.

The Digital Space Accelerators

The Digital Space Accelerators (DSA) is an innovative cooperation mechanism that brings together experts and decision-makers from various sectors, including governments, private enterprises, and international entities.

The DSA’s primary goal is to promote multi-stakeholder collaboration to design and propose

actionable solutions that dismantle key barriers to a thriving, sustainable, and inclusive digital economy.

Each DSA is dedicated to a specific theme and follows a clear methodology to ensure that its solutions are effective and acceptable to as many stakeholders as possible:

- 01 Selection of participants Experts with deep knowledge and experience from various background are reunited in the DSA.
- 02 Cooperation and solution design Experts meet in virtual and face-to-face meetings to discuss, brainstorm, formulate action plans, and design actionable solutions.
- 03 Roundtable discussions The DSA conducts physical roundtable discussions with key stakeholders from around the world to gather feedback and inputs on proposed solutions, ensuring a diverse range of perspectives are considered.
- 04 Reports and recommendations The DSA produces reports and recommendations based on its findings and collaborative efforts.

DSA in 2023: The DCO has activated 6 DSA themes for the 2023-2024 period:

- 1. Online content misinformation
- 2. Digital rights “intellectual property and safe digital space”
- 3. Empowering women in and through ICT
- 4. Digital skills gap for the youth

- 5. Tax and financial incentives for the ICT sector
- 6. Public-private partnerships for the development of the digital economy.

In 2023, the DCO conducted 3 DSA roundtables for the GCC (3 sessions) and the African region (1 session), and the EU (1 session in Geneva), covering all 6 topics of discussion in each region.



The DCO DiplomaticConnect

In 2023, the DCO launched the DCO DipolomaticConnect, a new platform gathering DCO Member States’ Ambassadors and representatives, and partner international organizations to foster digital diplomacy.

It aspires to explore inventive approaches to diplomacy, leveraging the latest technological advances, digital tools, and data-driven insights to bolster diplomatic efforts.



The DCO DiplomaticConnect in 2023

Two DiplomaticConnect sessions were organized in 2023, emphasizing the DCO’s commitment to working closely with its Member States and stakeholders to promote digital cooperation and knowledge sharing, and develop solutions to the challenges of the digital divide.

- The first DCO DiplomaticConnect took place on 12 April 2023 in Riyadh.
- The second DiplomaticConnect occurred on 8 October 2023 at the Oman embassy in Riyadh and gathered diplomats, government officials, private sector leaders, and technology experts around the theme of “Strengthening Global Ties and Navigating Artificial Intelligence’s Role in the ‘Phygital’ Era”.

The renowned deep tech diplomacy and tech advocate Professor Dr. Ingrid Vasiliu-Feltes delivered a keynote speech illustrating pathways for enhancing global diplomatic efforts through innovative technological integration.





Enhanced advocacy: The DCO in the UN System

The DCO reached an important milestone in June 2022 by being granted the Observer status at the United Nations General Assembly.



This notable advancement has firmly positioned the DCO on the global stage as the pioneering international organization dedicated to fostering international, multi-stakeholder cooperation within the digital economy.

Building on this status, the DCO has been able to strengthen its impact in the UN decision-making process on the design and implementation of digital policies and its advocacy for the interests of its Member States on these matters.



Participation to the 78<sup>th</sup> session of the UN General Assembly

As an Observer, the DCO has been invited to participate at the 78<sup>th</sup> session of the United Nations General Assembly held in New York city in September 2023.

The DCO made highly important announcements during this participation to the High-Level Week by:

- Launching the United Nations Group of Friends for Digital Cooperation in front of several missions
- Organizing a side event on social digital cooperation
- Organizing a side event with the Bahrain government on digital for sustainable development with ITU and UNDP



- Participating to a very active discussion during the UN Digital SDG Day
- Announcing the joining of Bangladesh as a DCO Member State

Launch of the UN Group of Friends for Digital Cooperation

Five DCO Member States joined to launch the UN Group of Friends for Digital Cooperation:



The Kingdom of Saudi Arabia



The Kingdom of Bahrain



The Republic of Cyprus



The Islamic Republic of Pakistan



The Republic of Rwanda

This Group of Friends for Digital Cooperation aims to drive advocacy, global support, and sustainable growth for the digital economy, enabling prosperity and social inclusivity for all on a global scale. It is a platform to enhance

digital cooperation in order to achieve the SDGs, in which the DCO will serve as a catalyst. As a platform for driving tangible progress, the 'UN Group of Friends for Digital Cooperation' is poised to initiate a series of impactful activities.

These encompass advocating at the UN level for the prioritization and adoption of global policies and strategies that foster inclusive digital cooperation, thereby promoting sustainable growth in the digital economy.

Additionally, the Group will serve as a facilitator, establishing a cooperative platform that enables knowledge exchange among Member States and facilitates the sharing of best practices in the digital economy.

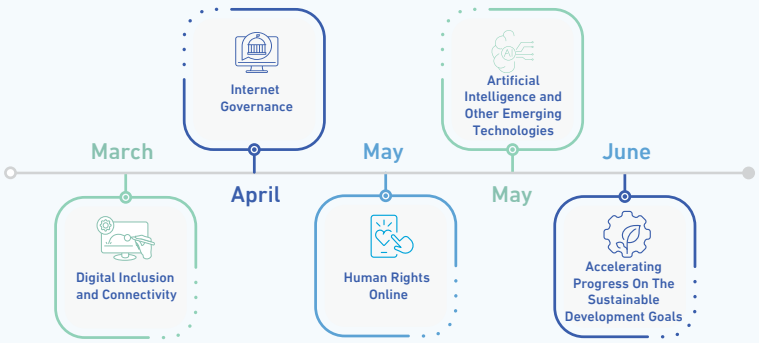
United Nations Thematic Deep-Dive Interventions

As part of the intergovernmental process on the Global Digital Compact of the United Nations, several UN Deep-Dive conferences were conducted between January and June 2023. Reuniting governments and digital stakeholders, they took the form of thematic consultations to inform, share knowledge, and facilitate discussions on a broad spectrum of digital issues.

As a UN Observer playing an active role in the UN especially in the Global Digital Compact, the DCO has contributed to and spoken at 5 UN Deep-Dive conferences during the first semester of 2023.

During the UN Deep-Dives, the DCO has fervently pursued its mission, calling for the cocreation and codesigning of initiatives, policies, regulations, and programs to foster equal opportunities for all stakeholders in the rapidly evolving digital landscape.

Throughout our interventions, we have emphatically stressed the shared responsibility in safeguarding fundamental rights, dignity, autonomy, security, and freedom regarding internet and the emergence of new technologies such as AI. We urged stakeholders to anchor their cooperative endeavors in the fundamental principles of openness, transparency, interoperability, inclusiveness, affordability, and relevance, emphasizing the critical importance of upholding these values both on a national and international scale.

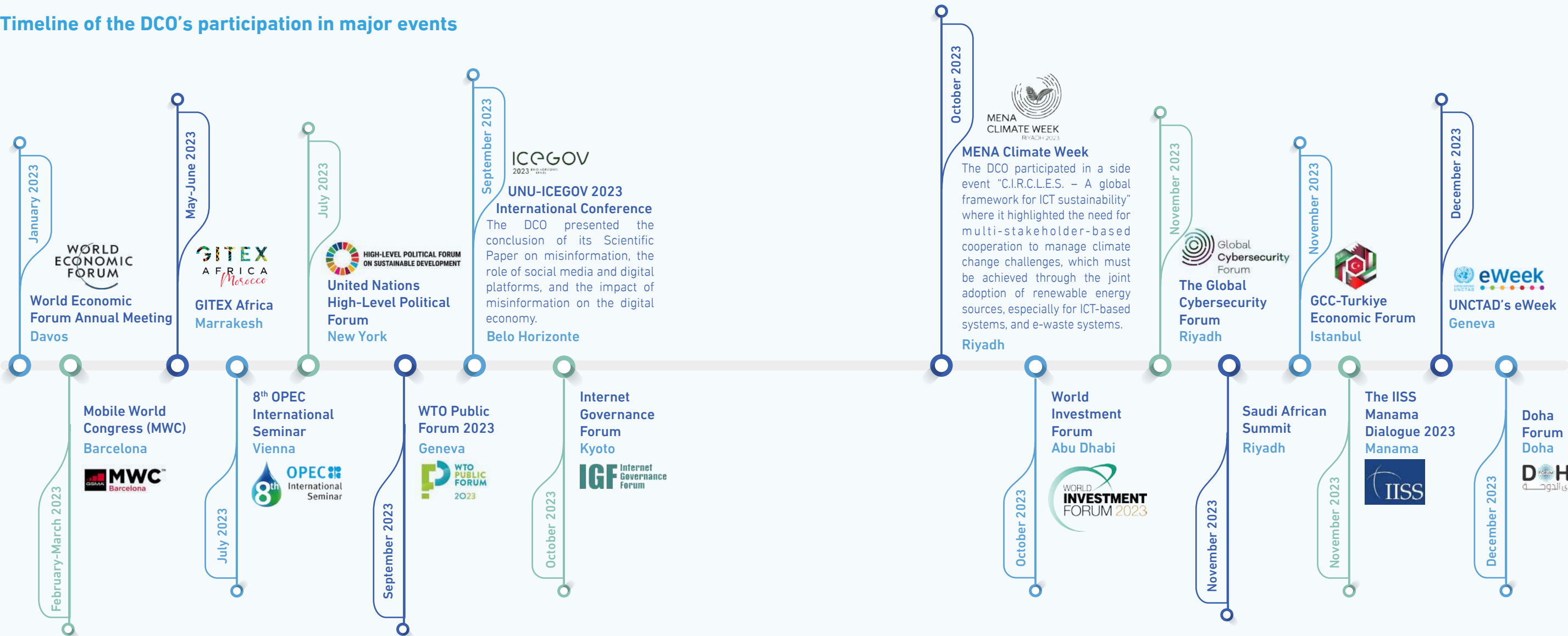


Enhanced visibility: the DCO's participation to global events

Spanning regions and continents from East Asia to the Americas, Europe, the Middle East, and Africa, the DCO embarked on a global journey to strengthen its presence and share its messages to key decision-makers and digital players.

Our participation, at the Secretary-General or DCO management level, in nearly 20 events throughout the year enabled the DCO to spread its vision and those of its Member States and valued partners, fostering a collective dialogue that resonated internationally.

Timeline of the DCO's participation in major events





### III. Progress on the DCO's key initiatives in 2023

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To deliver impact on the DCO Strategic Roadmap 2030, the DCO has launched and progressed in 2023 on some key initiatives that directly answer the strategic goal of the Organization.

Digital Foreign Direct Investment (DFDI) initiative

In the current global context, digitalization has been absolutely key for economic recovery post-COVID-19 and is a driving force for future global growth.



The digital economy, currently contributing around 20% to global GDP, is projected to reach 70% by 2030, necessitating focused efforts to boost digital competitiveness.

This endeavor requires a substantial increase in Foreign Direct Investment (FDI), with its potential to bring not only capital but also knowledge, technology, and job opportunities.

In the realm of the Digital Economy, attracting Digital FDI (DFDI) becomes paramount for expanding a country’s digital capabilities. However, achieving this goal demands tailored policies, regulations, and measures that account for the unique features and requirements of digital business models distinct from traditional enterprises.



Acknowledging the need for specific incentives and regulations to attract FDI in the digital sector and boost innovation, the DCO has launched the Digital Foreign Direct Investment (DFDI) initiative in collaboration with the World Economic Forum (WEF) in Davos in May 2022.

This initiative aims to link capital with digital investment opportunities in the DCO Member States, by focusing on identifying the required policies, regulations, and measures to facilitate these investment flows. It considers the distinct features and requirements of emerging digital business models and considers the specific circumstances of each country.

The implementation of the DFDI initiative follows 4 phases

01

Diagnostic

Existing policies and regulations impacting the attraction of DFDI are collected.

02

Interviews and surveys

The WEF, overseen by the DCO, conducts interviews and surveys with local public and private stakeholders, summarizing in a report the key measures needed by Member States to attract and streamline DFDI.

03

Reform recommendations

Based on the first two phases, the DCO provides policy recommendations in a report to attract DFDI, aligned with international best practices.

04

Implementation and follow-up

An Implementation Action Plan is built, and assistance is provided to the Member States. A final report summarizes the project and informs on the policies implemented.

DFDI initiative in 2023

In 2023, three DCO Member States have decided to join the DFDI Initiative. Pakistan and Rwanda have both successfully executed phase 2, while Oman will officially launch the initiative at the beginning of 2024.



Pakistan



Rwanda

executed phase 2

Focus 2

The DFDI Initiative in the Islamic Republic of Pakistan

The DFDI Initiative has been launched in Pakistan in early 2023. It directly involves Pakistan’s Ministry of Information Technology and Telecommunication (MoITT) and Board of Investment (BoI).

More than 100 online and physical interviews were conducted in Pakistan by the WEF, the DCO, and local consultants. The first two phases were completed by the third quarter of 2023.

The reform recommendations are under study since the beginning of the fourth quarter of 2023, based on the conclusion of the phase 2 report.

The government of Pakistan has announced the organization of an annual DFDI Forum in Pakistan, which will multiply the outcomes from the DFDI initiative by showcasing the attractiveness of Pakistan for digital investments. The first forum is scheduled during the second quarter of 2024.



Digital Taxation

The growing integration of national economies and markets is putting a strain on international tax rules, which have changed little in decades.

In the digital age, aligning taxation with the location of economic activities and value creation is challenging due to the transformed business infrastructure. The tax avoidance operations of digital companies, which no longer need a physical presence in a jurisdiction where they make significant profits, are at the root of tax Base Erosion and Profit Shifting (BEPS).

More than ever, policymakers around the world need to come together to design new rules that will enable a fair distribution of taxing rights between countries on income generated by cross-border transactions.

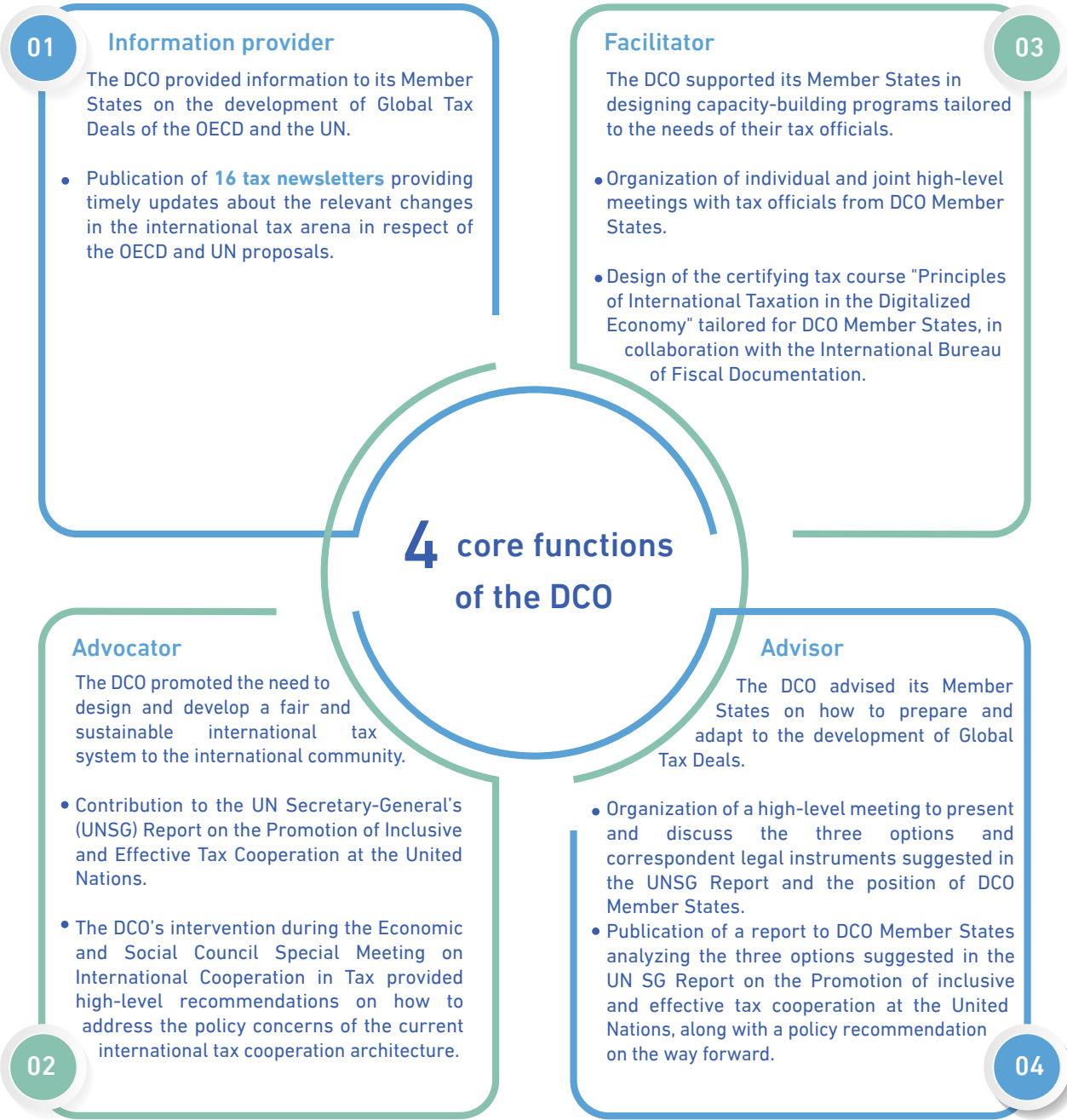
As an intergovernmental organization, the DCO acknowledges fair international taxation as one of the priority collaboration areas, as tax revenues enable governments to invest in strategic projects for growth and prosperity.

Recognizing that digital taxation requires a collaborative approach to address the complex, cross-border challenges posed by the digital economy, our organization implemented the Digital Taxation initiative.

To implement this initiative, the DCO created a dedicated Digital Taxation department in the General Secretariat to implement this initiative.

Digital Taxation initiative in 2023

In 2023, the Digital Taxation Department has made significant progress in delivering on the **4 core functions of the DCO** by providing information and impactful resources for Member States in the form of newsletters, reports, and virtual meetings, and engaging with the international community through high-level meetings.





The DCO Startup Guides

Digital companies are by essence transnational companies. The DCO acknowledges that the process of internationalization represents a major challenge for companies, requiring a thorough understanding of diverse markets, regulatory frameworks, and cultural nuances, and establishing forward-looking and adaptable strategies.

For startups in particular, limited resources amplify these challenges, as they face financial constraints and administrative barriers that add complexity to their international expansion efforts.

Therefore, the DCO has decided to engage in addressing the information gap that startups' founders could face while expanding to other countries and launched the DCO Startups Guides program. They are interactive guides that offer startups precise and timely country and market data, as well as direct links to pertinent sites and support entities, facilitating their exploration of expansions into DCO Member States.

**The DCO Startup Guides in 2023:**  
13 Startup guides were finalized and published on the DCO's website in December 2023. Two more on Bangladesh and Qatar, which recently joined the DCO, are in preparation.





STRIDE Association

In a world where the economy of many developing countries remains largely informal, numerous governments are striving to foster the growth of SMEs and nurture digital national champions.

The lack of agile regulations and robust infrastructures are often mentioned as obstacles to the growth of digital companies in these countries.

To unleash the innovative potential of startups, essential to sustainable economic growth in developing regions, the STRIDE Association was launched in February 2023. It is an umbrella initiative created to address the issue of cross-border expansion of small and medium enterprises (SMEs) and innovation driven enterprises (IDEs).

STRIDE Association acts as a digital entrepreneurship ecosystem providing tailored services for the empowerment of SMEs and startups, such as support, insights, networks, market opportunities, capability development and access to talents.






The STRIDE Association was launched in **February 2023**

Through the establishment of a Member States Working Group formed by focal points in governments and a Steering Committee of Entrepreneurs, STRIDE Association government agencies and entrepreneurs, giving them a voice to express the challenges they face on the ground and design the solutions with the government.




STRIDE Association in 2023


In 2023, the STRIDE Association has forged impactful and essential initiatives, each addressing critical priorities in developing countries:

- 


**Empower women digital entrepreneurs**

The WE-Elevate initiative aims to digitally empower women-led MSMEs in DCO Member States by helping them move from traditional trade to e-commerce. WE-Elevate adopts a multifaceted approach, providing digital enablement, global market access, capacity building, financial tools, and advocating for gender-responsive policies.
- 

**Encourage the creation of startups**

The Model Startup Act aims to unleash the full potential of the startup ecosystem by establishing a robust legal and institutional framework conducive to the launch, development, and operation of startups. It includes measures structured around the creation of special authorities for digital innovation and entrepreneurship, a specific definition of Startups, a Label of Merit, and benefits to all the startup ecosystem players.
- 

**Reduce the barriers to cross-border expansion for startups**

The Startup Passport initiative aims to help a startup from one DCO Member State to expand its business in the other DCO Member States, by waiving burdensome administrative and financial requirements, accelerating service processing, leveling the playing field, and offering a support to startups into the markets of DCO Member States.
- 

**Create an environment conducive to innovation**

The Standard of Excellence for Entrepreneurship initiative aims to establish transnational standards to foster innovative entrepreneurship and build an entrepreneurial ecosystem in the Digital Era. The standards of excellence should stimulate R&D and innovation, facilitate the technological environment, and strengthen partnerships and inclusive policies.



Digital Prosperity Awards

The Digital Prosperity Awards were designed by the DCO and launched in July 2023 to celebrate and incentivize outstanding contributions in the field of digital technology and innovation.

These awards recognize pioneering digital initiatives and solutions within Member States, encourage the adoption of best practices in digital transformation, foster a competitive spirit that drives innovation and progress, highlight successful models that can be replicated across member states for collective digital advancement.

The Awards will reward the best solutions across three main categories:

- 01 Digital transformation
- 02 Empowering society
- 03 Digital innovation

Digital Prosperity Awards

Since the announcement, the Digital Prosperity Awards have successfully garnered

 **767** applications from **29** different countries, including **409** submissions from Member States.

 To select the finalists, the DCO has recruited **15** top-tier international judges with expertise in relevant subjects and has formed a technical committee welcoming **26** expert judges specialized in the different categories.

The judges will select the two finalists who will receive the highest prize, while there will also be five titles for the best solutions:

 Disruptive technology solutions

 Decision-Making

 Cooperation

 Environment

 Ethics

These rewards will not only be a recognition of achievement but also serve as a means to further support and amplify the impact of the winning initiatives in each category.



DCO IMPACT

In November 2023, launched IMPACT: a marketplace platform advocating for a multilateral partnership to streamline digital solution integration, encourage knowledge exchange, cultivate digital ecosystems, and enhance capabilities.

It aims to boost the adoption of digital solutions for efficient government operations and service delivery, accelerate digital transformation in Member States, foster economic growth through innovation and investment, create job opportunities, and strengthen diplomatic and technological ties globally.

Additionally, IMPACT aims to create job opportunities, strengthen diplomatic and technological ties globally, and promote the acceleration of Sustainable Development Goals (SDGs) worldwide.

By connecting innovative digital solutions with global sustainability objectives, the marketplace is dedicated to driving positive impact and catalyzing change for a better future.



## IV. The DCO Ecosystem: Partnerships and collaborations in 2023

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The DCO’s vision, mission and organizational structure propels the Organization to engage and partner with a diverse range of organizations that share its goals in order to fulfil its mission and objectives.

The DCO has always harnessed the critical value of multisectoral collaboration and worked collaboratively across sectors to enable a more inclusive and sustainable growth of digital industries.

This is why the DCO has forged a growing number of partnerships and has consolidated several collaborations with non-governmental entities such as global companies, international organizations, think tanks, academia, multilateral development banks, and foundations, as Observers or Partners of the DCO.

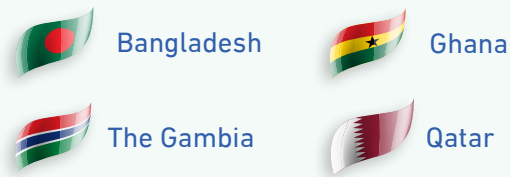
By placing partnerships at the core of its mission, the DCO recognized the significant expertise and resources external actors can bring to mobilize and maintain the change DCO seeks to achieve.

The Organization remains committed to ensuring the highest levels of integrity and transparency throughout its governance, policies, procedures, partnerships, and interactions with its partners. The DCO therefore strengthened its approach to external engagement with the adoption of its Partnership Policy by the DCO Council.

The impact of the Organization is made possible by its **15 Member States, 34 Observers and Partners** for their continuous engagement and commitment to the goals of the Organization.

Our Member States

In 2023, the DCO counts **15 Member States**, including four new joiners



Our Observers

The DCO was pleased to see its base of Observers expand significantly in 2023, with the addition of **17 new Observers**, for a total of **34 Observers** from various sectors.



Our partners

The DCO is steadily expanding its network of partnerships, a strategic move that significantly enhances its capacity to foster global digital transformation.



As part of this endeavor, the Organization is now a member Observer of the **International Telecommunication Agency (ITU)** and has joined the **WTO Public Forum**.

These collaborations are pivotal for the DCO as they bring together a diverse range of expertise, resources, and perspectives. These partnerships not only broaden the DCO’s horizons in terms of knowledge and resource sharing, but also strengthen its role as a key player in shaping a more interconnected and inclusive digital future. Leveraging these relationships further contributes to the DCO’s positioning as an influencing organization that plays a vital role within the global digital economy, making it an invaluable asset to its Member States and the broader international community.

In addition, the DCO has been strategically engaged as a partner of **eTrade for all Global partnership** by contributing to UNCTAD’s eWeek, as well as the **World Economic Forum (WEF)**, the **GSM Association (GSMA)** and the **Smart Africa Alliance**.





## V. Effective functioning of the Organization





Focus 3

The DCO Governance

Since the approval of the DCO General Rules of Procedures and other legal texts in December 2022, the DCO is adopting the following governance structure:

- The Council is the governing body of the Organization – it is composed of the representatives of Member States who are the Ministers of Telecommunication or other equivalent persons.
- The Executive Committee, which held its first meeting in March 2023 and organized a total of four meetings throughout the year, is streamlining the decision-making process of the Organization. The report on the work of the 2023 Executive Committee details the achievements of the committee during 2023.
- The General Secretariat, led by the Secretary-General, runs the operations of the Organization on independent basis since March 2023.

Creation of departments

The General Secretariat, after having moved the headquarters from the office of the Ministry of Communications and Information Technology of Saudi Arabia to the King Abdulaziz City for Science and Technology in December 2022, has been organized in departments to effectively move forward on all the strategic and operational objectives of the Organization according to the approved Organization Structure by the Council:

- **Cabinet:** this department looks after the relationship between the Council and the DCO, in addition to the strategic dialogue activities to empower the position of the DCO.
- **Digital Economy Foresight:** the department in charge of developing knowledge and connecting the DCO ecosystem around the priority themes of the DCO.
- **Digital Markets Growth:** the department in charge of developing and implementing initiatives to spur the development of a dynamic cross-border digital market among DCO Member States.
- **Engagement & Corporate Sustainability:** This department is the strategic communication channel to enable effective engagement and increase the visibility of the DCO. It includes Funding & Commercialization, Strategic Engagement & Events, and Marketing & Communications.
- **Global Cooperation and Partnerships:** the department dedicated to create the bridge with governments and the global digital ecosystem to facilitate engagement on cross sectoral agenda.
- **Secretary-General Executive Office:** the department supporting the Secretary-General daily in delivering her mandate, and notably in her efforts to increase led to increase the DCO's outreach (preparation of meetings, logistics,... etc.).
- **Shared Services:** The strategic enabling department to partner with all DCO departments to make sure the activities of Human Resources, Procurement, Finance, Information Technology, and Administration are running smoothly and serving the sustainability and operational goals of the organization.

- **Strategy & Performance** the department in charge of ensuring the effective implementation of strategic and operational projects, and monitoring the corporate performance of the organization with the support of the Project Management Office.

Implementation of Policies for Operational Excellence

The DCO started to fully operate on an independent basis in March 2023, following the ratification of the Kingdom of Saudi Arabia's Council of Ministers of the DCO Headquarters agreement in January 2023.

Since then, the DCO has put in place various policies to enhance its operational excellence and enable the General Secretariat to deliver its mission with effective governance:



During the year, the Organization also started to proceed with several activities aiming to strengthen the operational excellence, including but not limited to, the definition of the staffing process , the implementation of the technology foundation of the Organization, opening two bank accounts for smooth financial operations, and establishing the required administrative and governmental agreements with the country of the DCO Headquarters.



The DCO Human Capital

The DCO General Secretariat currently counts on a team of **62 enablers**, up from **23** at the beginning of 2023.

We strive to embody the values of diversity, both in terms of geography with **21 nationalities** represented in the General Secretariat, and in terms of gender. We take pride in having **40% women** in our team and remain committed to achieving gender parity.



Conclusion

The Digital Cooperation Organization Annual Report 2023 reflects a transformative year marked by substantial progress and achievement. Under the Kingdom of Bahrain’s dynamic leadership and in anticipation of the Hashemite Kingdom of Jordan’s presidency, the DCO has fortified its global presence and influence, particularly in advocating for digital cooperation at the United Nations and other international platforms.

With new Member States joining and a focus on pivotal areas like cross-border data flows, digital inclusion, and sustainable development, the DCO has strengthened its role in fostering global multistakeholder digital cooperation for the benefit of all.

The Organization’s commitment to fostering partnerships, advancing digital policies, and promoting inclusive growth sets a solid foundation for our future endeavors. The Digital Cooperation Organization has showcased consistent progress on its initiatives in 2023, for a promising 2024.





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