Session 3:
New Challenges

Topics

3. New Challenges
International Policy Environment
   Globalization
   WTO
     General Agreement on Trade in Services (GATS)
     Agreement on Basic Telecommunications (ABT)
   WIPO
   WSIS
   ICANN
Importance of Intellectual Property Rights
Impact of Multinationals
Changes on Employment Methods and Job Structure
   Mobile workforce
   Migration
   Outsourcing
Importance on the competitiveness of the public sector
Importance of International Cooperation
Impact of Global Issues on National Policy Making

A Roadmap

Global Policymaking for Information and Communications Technologies:
Enabling Meaningful Participation by Developing-Nation Stakeholders

Based on "A Roadmap. Global Policymaking for ICT."
Implementation Team on Global Policy Participation, G8 Digital Opportunity Task Force, June 2002

Implementation Team on Global Policy Participation
G8 Digital Opportunity Task Force

Need for Inclusive Global Policy Making

The increasingly important role of ICTs in the broader process of globalization means that countries that do not tap into these technologies risk being left even farther behind. While domestic policy can help developing countries seize the advantages of ICTs, decisions made at the global level will increasingly affect these nations' ability to benefit from ICTs.

The World Trade Organization and the International Telecommunications Union, are regularly addressing new issues, and a number of new policy institutions dedicated to ICTs have sprung up in recent years, ranging from the World Wide Web Consortium (W3C) to the Global Business Dialogue (GBDe).

Global ICT Policy Issues

- The international ICT decision-making universe is vast and expanding rapidly as a result of the boom in ICT application and penetration that has taken place in recent years.
- This universe is highly differentiated in its institutional features and complex in its decision-making structures, and contains several black holes into which issues sometimes disappear from the view of the international communities

Global ICT Policy Venues

The arena of international ICT decisionmaking is populated by a rapidly expanding number of policymaking institutions, processes and venues:

- Some are long established. Others are newly invented, or newly involved in ICT decisionmaking.
- Some are primarily focused on the development of ICT technologies, products or services.
- Others are mainly concerned with access to and the use of ICTs for economic, social or cultural development.
- Some ICT decisionmaking venues restrict participation to government representatives.
- Some are purely private ventures, and others are mixed, open to participation by government, the private sector and civil society.

Three General Categories in Global ICT Policymaking

- a small number of principal institutions that currently have leading roles in international ICT decisionmaking;
- a slightly larger number of supporting fora drawn from the ranks of the UN family and international financial institutions; and
- a diverse group of newcomers to the international ICT policy scene representing the interests of the private sector and civil society.

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Three Main Institutions

- ITU
- WTO
- ICANN

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ITU

- The ITU traces its origins back to 1865, has 190 Member States and some 650 non-governmental in terms both of issues addressed and types of decisions made.
- The ITU treaties provide an international legal framework for cooperation between governments, the private sector, and other actors.
- They also lay down the legal and regulatory principles that govern the international exchange of telecom services, as well as the allocation and use of radio frequencies and satellite orbital positions. Within this framework, the ITU's main responsibilities include coordination and registry of frequency and orbital assignments and telecom numbering plans, development of technical, operational, tariff and revenue-sharing standards, the provision of policy, regulatory, technical and capacity-building assistance to developing countries, and fora for coordinating national approaches to global telecommunications policy and regulatory issues.

New Challenges

Slide 3

WTO

The WTO, established in 1994 as the successor to the General Agreement on Tariffs and Trade (GATT), has 144 Member Countries. In the past decade, the WTO has played an increasingly important role in international ICT decisionmaking as a result of the 1994 General Agreement on Trade in Services (GATS), the 1997 Fourth Protocol to GATS on trade in basic telecommunication services, and the 1998 and 2001 Ministerial Declarations on Electronic Commerce.

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The principles embodied in the GATS treaty provide a new legal framework for governing the exchange of ICT services between countries. This framework is designed to facilitate foreign access to domestic ICT markets and is based on trade principles such as transparency and non-discrimination. The WTO and GATS treaties provide a legally binding mechanism for resolving disputes between countries, including disputes that might arise over ICT services, products or investments. No such mechanism existed previously. Currently, 84 countries, including many developing countries, have made commitments to open their domestic markets to foreign investment in and to foreign supply of basic and value-added telecommunication services. In addition, a substantial majority of these countries have made commitments to apply a common set of principles for the regulation of telecommunications in their jurisdictions

New Challenges

WTO on IPR

- Better protection needed to share the benefits of R&D
- Currently, extremely costly especially for smaller companies and countries
- Need to ensure IPR respected both ways

ICANN

The Internet Corporation for Assigned Names and Numbers (ICANN) is a not-for-profit, private sector organization, incorporated in the state of California. It was established in 1998 by the United States government with a coalition of Internet business, technical, academic and user communities as a forum for coordinating the technical management of the Internet domain name system, a task previously undertaken through various voluntary, ad hoc and US government-funded arrangements. ICANN aims to accomplish its objective through an open process that builds consensus among members of the Internet community on an international basis. The ICANN structure currently includes supporting organizations that coordinate the allocation of the numerical addresses used to identify individual computers connected to the Internet and the domain name system that translates these numerical addresses into more user-friendly ordinary language. Governments are only involved in ICANN's work through an international Government Advisory Committee (GAC), which provides advice to the ICANN Board of Directors. As an example of industry "self-governance," ICANN is generally seen as an experiment in international ICT decisionmaking.

Some Supporting Institutions

- World Bank Group (WBG)
- World Intellectual Property Organization (WIPO)
- UNESCO
- UNCTAD
- UNESCAP
- Etc...

World Bank Group

The World Bank Group (WBG) has 183 Member Countries, and an important influence on ICT development in a number of ways. The five financial institutions that make up the WBG provide loans, equity capital, investment guarantees and development assistance to governments, private investors and foreign investors in developing countries. The WBG has used these tools to encourage market-oriented policy and regulatory reforms, particularly in the telecommunications sector, and has provided an extensive program of research, training and technical assistance in these areas. In recent years, the WBG has broadened its focus to address the role that ICTs can play in reducing poverty and creating the conditions for sustainable development, by facilitating access to knowledge (e.g. the Global Knowledge Partnership and the Development Gateway).

WIPO

- **The World Intellectual Property Organization (WIPO)** has 177 Member Countries and helps to protect intellectual property rights (IPRs) in ICT technologies, products, software, applications and services, as well as to resolve disputes about these rights. In something of a departure from its "self-regulatory" tradition, the Internet community uses WIPO to resolve disputes about the ownership of some Internet domain names. The international protection for IPRs traditionally provided by WIPO has been enhanced by the provisions of the 1994 WTO agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), and by a formal cooperation agreement between the two organizations.

UNESCO

- **The United Nations Educational, Scientific and Cultural Organization (UNESCO)** supports the development of ICT-based content services (e.g. broadcasting) in developing countries and has championed the adoption of content-oriented perspectives in international ICT decisionmaking.

New Fora and Players

They have had a steadily increasing influence, and a number of initiatives have been launched to engage them informally in international ICT decisionmaking:

- **Non-governmental organizations (NGOs)**, some of which are primarily concerned with promoting the development of ICT-based networks and services in developing countries – particularly via the Internet and community-based initiatives – others of which are focused on the use of ICTs to promote sustainable economic, social, cultural and political development.
- **Business community organizations (BCOs)**, including national chambers of commerce whose main interest is in promoting policies, regulations and practices that encourage trade and investment between countries, as well as task forces and roundtables that address emerging global issues of policy, regulation and development from a private sector perspective.
- Hundreds of **private sector fora (PSFs)** that have been established by ICT enterprises to develop international standards for ICT technology, networks and services.

Global ICT Policy Themes

- Convergence and Digitalization
- Networked Economy
- Global Information Society

On Convergence and Digitalization

POLICY Theme	POLICY Issues	GLOBAL VENUES
Convergence and Digitalization	Wireless and Radio Spectrum Allocation (New Services, Harmonization Frequency Bands, etc.)	ITU
	Universal Access and Interoperability – (Bottlenecks, Essential Facilities, Anti-Trust, Emerging Standards, etc.)	ITU, IETF, W3C, WTO, GBDe
	Common Identifiers (Domain Names, ENUM, Object Identifiers, etc.)	ICANN, IETF, WIPO
	Regulatory Reform (Redefining Regulatory Spheres, Converged Agencies, etc.)	Various, including the Worldbank and IMF

New Challenges

On the Networked Economy

POLICY Theme	POLICY Issues	GLOBAL VENUES
Networked Economy	Consumer Protection (Cross Border Redress and Dispute Resolution, Jurisdiction, etc.)	OECD, ITU, WIPO, UNCITRAL, GBDe
	Electronic Contracts and Signatures (Authentication, Standards, Model Laws, etc.)	UNCITRAL, IETF, W3C, OECD
	Intellectual Property (Copyright, Trademarks, ISP liability, etc.)	WIPO, ICANN, WTO

New Challenges

Global Information Society Issues

POLICY Theme	POLICY Issues	GLOBAL VENUES
Global Information Society	Network Security (Cybercrime, Hacking, Critical Infrastructures, etc.)	ICANN, ITU, OECD
	Language and Cultural Diversity (Multilingual Domain Names, Content Diversity, etc.)	ICANN, WIPO, ITU, UNESCO
	Market Conditions (ICT for Trade, Pricing, Affordable Inputs, Credit, Taxation, etc.)	WTO, UNCTAD

New Challenges

Challenges of Developing Countries in International ICT Decisionmaking

- The limited bargaining power and leverage of developing countries in comparison with other countries and regional blocs;
- The absence of coherent, consistent positions by developing countries on major global ICT issues in advance of their explicit emergence;
- The lack of experience and capacity in the global ICT policy area, and the "brain-drain" of many of the most qualified; and
- The absence of effective cooperation among developing countries on how to engage in collective negotiation on global policy issues for their mutual benefit.

Broadening and Enhancing the Capacity of Developing Countries to Effectively Participate in the Global ICT Policy Forums and the ICT for Development (ICT4Dev) Process, A Concept Paper for the Markle Foundation. By Clement Dzidonu and Nii Narku Quaynor. International Institute for Information Technology (INIIT), Ghana, Special Working Paper Series No. 5, March 2002.

New Challenges

Challenges in International Decision-making

- A lack of awareness – most significant barrier
  - Role that ICTs can play in supporting economic and social development
  - Importance of international ICT decisions on national policies and regulations
  - How ICT can make a difference to the lives of individuals, families, communities

Challenges in International Decision-making

- Lack of easy and affordable access to timely information
  - The rapid increase in both the range of issues on the international ICT policy agenda and the number of organizations involved in ICT policymaking has made it increasingly difficult even for developed countries to keep track of what is going on, anticipate key events, and plan strategies for successful outcomes.
  - High cost of internet access and paper-based publications

Challenges in International Decision-making

- A lack of technical and policy capacity on ICT issues
  - Capacity-building necessary
  - Human resource development

Challenges in International Decision-making

- Challenges in national and regional ICT policy-making policies and institutions
  - National level
    - Lack of political leadership
    - Absence of a national ICT strategy
    - Ineffective coordination between different government departments and agencies with ICT responsibilities
      - Dissemination of information
      - Preparation of national positions
      - Sending proper experts to international meetings

Challenges in International Decision-making

- Challenges in national and regional ICT policy-making policies and institutions
  - Regional level
    - Lack of effective institutions and preparatory processes
- Financial barriers
  - Cost of attending meetings
  - Cost of accessing timely and relevant information
  - Cost of the preparatory process

Solutions and Best Practices

Procedural equity
- overall membership, committee leadership, voting procedures and other formal arrangements safeguard developing-country influence.

Solutions and Best Practices

Technical Assistance
- building substantive domestic communities within developing countries that can address technical issues over the long term.
- Mentoring programs

Solutions and Best Practices

Use of Regional Committees to enhance participation of developing countries
- By empowering regional entities to help set agendas, implement programs and generally serve as a conduit of ideas and information
- Developing countries also find it less costly and more comfortable to make their views heard in a local setting.

Solutions and Best Practices

Internal Capacity Building

- Enhance developing country delegations
- Importance of domestic expertise and coalitions in creating effective participation, and more international fora
- Developing governments are creating stronger knowledge and political bases from which to negotiate.

Solutions and Best Practices

Involvement of NGOs in Implementing Programs

- International organizations work in formal partnership with NGOs who share their mission, creating another source of aid and advice to empower developing countries.
- NGOs participate vitally in strengthening developing nations in the international policy system. They contribute valuable information and ideas, advocate effectively for positive change, provide essential operational capacity in emergencies and development efforts, and generally increase the accountability and legitimacy of the global governance process.

Other Issues

- Impact of Multinationals
  - Push standards but also possibly based on their own proprietary solutions
  - Global presence, influence, and experience
  - Funding

Other Issues

- Changes on Employment Methods and Job Structure
  - Mobile Workforce
  - Migration
  - Outsourcing

Summary of Recommendations

PRIORITIES	RECOMMENDATIONS for ACTIONS
Strengthening **technical and policy capacity**	• Development of expert resources and networks of leaders (including IeDRN) • Experiments with model processes
Increasing **awareness** by developing countries of the importance of international ICT decisions	• Experiments with model processes • Creation of Global ICT policy information resources
Providing **easy and affordable access to timely information**	• Creation of Global ICT policy information resources • Technology based mediation • Development of expert resources • Model processes
Overcoming **financial and other barriers**	• Creation of participation enabling tools • Development of expert resources • Model processes
Fostering **multi-stakeholders engagement**	• Development of networks of leaders • Experiments with model processes
Promoting **equity enhancing** mechanisms.	• Commitment by existing ICT institutions and fora to review practices to identify barriers and opportunities • Experiments with model processes

UNESCAP

New Challenges

Class Discussion
Country Presentations

- What other challenges have you encountered in Global Policymaking participation?
- What are the possible solutions to these issues and challenges?

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End of session 3

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Thank you!

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