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**Submission by: World Summit Award, Civil Society**

***Please note that this is a submission for the Third Physical meeting of the WSIS +10 MPP to be held on the 17th and 18th of February.***

**Proposed changes to the WSIS+10 outcome documents
World Summit Award Board of Directors**

19 January 2014

**References to e-Content**

At the WS Forum and the WSIS+10 Open Consultation meetings, it was suggested that the WSIS+10 output document should include a strong reference to the critical role of creative, high quality content plays in the establishment of the following goals as stated in the Tunis Agenda (WSIS-05/TUNIS/DOC/6(Rev.1)-E):

1. Financial Issues:
Para. 15 “The challenges for expanding the scope of useful accessible information content in the developing world are numerous; in particular, the issue of financing for various forms of content and applications requires new attention, as this area has often been overlooked by the focus on ICT infrastructure”.
2. Poverty reduction:
Para. 23.f “a number of areas in need of greater financial resources and where current approaches to ICT for development financing have devoted insufficient attention to date. These include:……
ICT applications and content aimed at the integration of ICTs into the implementation of poverty eradication strategies and in sector programmers, particularly in health, education, agriculture and the environment.
3. Equitable access and Innovative start-Ups:
Para 26.f “prerequisites for equitable and universal accessibility to, and better utilization of, financial mechanisms: …. Encouraging business-sector entities to help jump-start wider demand for ICT services by supporting creative industries, local producers of cultural content and applications as well as small businesses.”

Furthermore the Tunis Agenda states a commitment of the signatory parties to

Para 53. “ to working earnestly towards multilingualization of the Internet, as part of a multilateral, transparent and democratic process, involving governments and all stakeholders, in their respective roles. In this context, we also support local content development, translation and adaptation, digital archives, and diverse forms of digital and traditional media, and recognize that these activities can also strengthen local and indigenous communities”.
Specific reference is made to

1. Local content:
Para 53.a) “Implement programmes that allow for the presence of … content on the Internet and the use of various software models in order to fight against the linguistic digital divide and to ensure the participation of all in the emerging new society.”

Building on the Geneva Plan of Action the signatories committed themselves to action and towards achieving the following indicative targets:

* Para 90.f: *promoting public policies aimed at providing affordable access* – to local content
* Para 90.i: *using ICTs to improve access to agricultural knowledge*, combat poverty, and support production of and access to locally relevant agriculture-related content
* Para 90.k: *supporting educational, scientific, and cultural institutions*, including libraries, archives and museums, in their role of developing, providing equitable, open and affordable access to, and preserving diverse and varied content
* Para 90.l: *enhancing the capacity of communities* in all regions to develop content in local and/or indigenous languages
* Para 90.m: *strengthening the creation of quality e-content*, on national, regional and international levels.

These points were taken up in ACTION Line C.8 and facilitated by UNESCO.

However, they also play an important role in the ACTION Line C.7 and the listed areas of ICT applications:

• E-government

• E-business

• E-learning

• E-health

• E-employment

• E-environment

• E-agriculture

• E-science

which are facilitated by UNDP/ITU, WTO/UNCTAD/ITU/UPU, UNESCO/ITU/UNIDO, WHO/ITU, ILO/ITU, WHO/WMO/UNEP/UN-Habitat/ITU/ICAO, FAO/ITU, UNESCO/ITU/UNCTAD.

And these points are of central relevance to the ACTION Lines C3 Access to information and knowledge facilitated by ITU/UNESCO and C4 Capacity building facilitated UNDP/UNESCO/ITU/UNCTAD.

**Measures to address the digital divide**

Document S2 should contain clear and explicit reference to WSA specific measures regarding e-inclusion and empowerment (see: <http://www.wsis-award.org/winners/e-inclusion-and-empowerment>) as there exists a global record of activates and products selected from 164 UN member states in order to directly address the digital divides and the content gab in the area of e-inclusion.

Further, a reference should be added to the m-inclusion (see: <http://www.wsa-mobile.org/winners/m-inclusion-and-empowerment>) as the developments of the last years clearly make mobile access the most widely infrastructure use of participation in the information society.

**Global best practice in e-content**

The Government of Socialist republic of Sri Lanka and its agency ICTA hosted the from October 23rd to 26th the WSA Global Congress 2013 which presented the world’s best ICT-innovations, gathering first-hand information on the latest digital developments and meeting opinion leaders from all corners of the world.

Mandated by the WSIS Plan of Action and executed in collaboration with UNESCO, UNIDO and formally UN GAID, WSA has conducted global best practice events in the past in UAE (Abu Dhabi), India, Mexico, Croatia, Egypt, Italy, South Africa as well as at the WSIS conferences in Tunis and Geneva.

In the Colombo communique the delegated of the WSA Global Congress 2013 “called for the inclusion of the global cooperation regarding the sec election and promotion of best practice and underlines the function towards development of the digital content industries and an environment in which all stakeholders, including all governments, participate on an equal footing in order to achieve the objectives of a quality information society based on knowledge”.[[1]](#footnote-1)

Indeed the Tunis Agenda calls for all governments to participate with the business sector and civil society to use the multi-stakeholder model to advance content matters, specifically also in the area of financing.

It would thus appear appropriate to reiterate these points strongly in the WSIS+10 outputs and to call for specific actions consistent with the WSA principles for open and fair contests as the selection mechanism of choice for best practice based on independent juries of high level experts whose best professional judgment contribute significantly to overcome the market failures introduced by market dominance of globally financed multinational corporations or walled garden operators of content market platforms. .

Thus the following are proposed.

Action Line C7 (document V1.1-C-ALC7)
ADD

Agree on the need to establish in independent and objective manner best practice in e-content that allows consumers and all stakeholders to gain information independent from vested interests on what is best to use and where are the trends in the creative sue of e-content in support of local needs, of linguistic and cultural diversity and in the effective participation in the market in accordance with paragraphs 15, 23, 26, 53, and 90 of the Tunis Agenda.

Action Line C8 (document V1.1-C-ALC8)
ADD

Promote the diversity and identity in language and culture through the sustained developing of local content and best practices through measures such as independent contest and awards that provide access to important and objective product information to consumers in light of the digital intransparency of content in accordance with paragraphs 15, 23, 26, 53, and 90 of the Tunis Agenda.

**Addressing the tax inequalities of the global digital economy for local content producers**

In order to counteract the increasing market concentration in digital content and platforms there is a need to develop options to address direct and indirect taxation which add to market dominance.

Issues to be examined include, but are not limited to, the ability of a company to gain a significant advantage in the content market by having a digital presence in the economy of country without being liable to taxation due to the lack of nexus under current international rules, the attribution of value created from the generation of marketable location-relevant data through the use of digital products and services, the characterisation of income derived from new business models, the application of related source rules, and how to ensure the effective collection of VAT/GST with respect to the cross-border supply of digital content and services.

We agree that it seems appropriate to propose the following.

B Priority areas (document V1.1-B)
Agree item 30

30) Addressing the tax challenges of the digital economy

Action Line C2 (document V2-C-ALC2)
ADD 2(j ff)

2(j ff) counteract market failure through concentration in the area of digital content through ineffective tax rules and provisions and loopholes that create an unequal tax burden for local producers while global actors are not made to pay their share and to develop detailed options to address these inequalities.

**Affordable Internet access for creative content and local producers**

The price of connecting to the Internet for users in developing countries continues to be both in relative and sometimes for content producing SMEs even in objectives much higher than the price for users and producers in developed countries[[2]](#footnote-2).

The higher prices for Internet access are a sever market hindrance for the development of creative content and local producers.

This[[3]](#footnote-3) must be addressed in terms of promoting an Internet that is affordable even if there is no complete agreement on how best to resolve the issue (but see Supplement 2 of Recommendation ITU-T D.50).

The expression of “affordable access” needs to be clarified as affordable in relative terms, that is, with respect to a user’s purchasing power and also in terms of the local producers access and distribution costs.

Therefore, the following is proposed.

Action Line C2 (document V2-C-ALC2)
Agree last sentence of 2(h)

2(h) … Affordable should be understood in relation to the user’s disposable income and in relation to the affordability of local content producers to offer their creative products and applications.

**Enabling competition- counteracting market failure**

We agree with others that competition is the way to ensure delivery of innovative, fairly-priced content products and services to consumers. However, monopolies or externalities skew the markets.[[4]](#footnote-4) Thus, the language in the WSIS+10 documents must show an understanding of these issues and directly address them.

Therefore, the following is proposed.

Action Line C6 (document V2-C-ALC6)
ADD the following for 2(f)

2 (f) Ensure that oligopolies and monopolies do not restrict market access for producers or reduce the consumers’ information and choice in terms of culturally and linguistically divers content and applications.

1. WSA et al., “Colombo Communique on the Future of High Quálity Digital Content – Smart Island Initiative ”, WSA (23 October 2013) <<http://www.wsis-award.org>> [↑](#footnote-ref-1)
2. See *Study on International Internet Connectivity in Sub-Saharan Africa*, ITU, March 2013 <http://www.itu.int/en/ITU-D/Regulatory-Market/Documents/IIC\_Africa\_Final-en.pdf>; *Study on International Internet Connectivity: Focus on Internet Connectivity in Latin America and the Caribbean*, ITU, March 2013 <http://www.itu.int/en/ITU-D/Regulatory-Market/Documents/International%20Internet%20Connectivity%20in%20Latin%20America%20and%20the%20Caribbean.pdf>; and Supplement 2 to Recommendation ITU-T D.50, section 2. [↑](#footnote-ref-2)
3. Report of the ITU Secretary-General to WTPF-13, para. 2.3.3(a), (d), (e) and (f). [↑](#footnote-ref-3)
4. See for example Susan Crawford, Captive Audience: The Telecom Industry and Monopoly in the New Guilded Age, 2013,Yale University Press; Robert W. McChesney. *Digital Disconnect: How Capitalism is Turning the Internet Against Democracy*, 2013, The New Press. [↑](#footnote-ref-4)