

Note: please note that these comments are based on the draft version of the President non-paper, dated 24 October 2003. This draft version is available on the web at :

http://www.itu.int/wsis/documents/doc_single.asp?lang=en&id=1068

World Summit on the Information Society

PRELIMINARY INPUT ON THE DRAFT NON-PAPER OF THE PRESIDENT OF THE WSIS PREPCOM ON THE DECLARATION OF PRINCIPLES [DATED 24 OCTOBER 2003]

Presented by the WSIS Coordinating Committee of Business Interlocutors (CCBI)

Note : This input is based on existing CCBI comments and positions which have been applied to the draft Non-Paper to provide the business perspective on selected issues.

29 October 2003*

Management of the Internet

Draft Non-Paper:

44-47 CCBI edits and proposed text

The Internet has evolved into a global facility available to the public and its governance, including both technical and public policy issues, should constitute a core issue of the Information Society agenda. The international management of the Internet should be multilateral, transparent and democratic, with the full involvement of governments, the private sector, civil society and international organizations. It should work to ensure distribution of resources that address user needs globally, facilitates access for all and ensures a stable and secure functioning of the Internet, taking into account multilingualism.

Management of the Internet

Explanatory note

The Internet is a collection of networks that are joined together to form a global communication medium. The networks that make-up the Internet have many different properties, technical protocols and naming systems, based on widely accepted standards that allow communication to run relatively seamlessly across the entire network. Internet users demand a unique and predictable result in domain name resolution anytime and from anywhere in the world. As a result, the Internet's infrastructure and operation is a highly collaborative activity. The technical coordination of the Internet includes the development of Internet protocol standards, the allocation of IP addresses and the delegation of domain names. The organizations involved in the technical coordination of the Internet depend on constant input from and interaction with relevant experts on technical matters to keep the Internet and its related technologies developing in a robust and global manner. This provides a platform for business-led innovation and communication for users from around the world.

Business has been and continues to be the major owner, developer, administrator and coordinator of the Internet. We recognize that this is an important responsibility and are proud of our ability to ensure that the Internet is a vibrant and reliable medium for commerce and communication. As a result, business supports continued private sector leadership of the technical coordination of the Internet. This position is based upon the necessity to ensure a flexible and deliberative process that can work with and respond to the rapid development and evolution of the Internet in all parts of the world.

Several private-sector led¹ organizations have been and continue to be critical to the technical coordination of the Internet. These organizations include the Internet Architecture Board (IAB), the Internet Engineering Steering Group (IESG), the Internet Engineering Task Force (IETF), Regional Internet Registries (RIRs), the Council of European National Top-Level Domain Registries (CENTR), the World Wide Web Consortium (W3C) and the Internet Corporation for Assigned Names and Numbers (ICANN). These fora involve experts and interested participants from all around the globe and contribute to the technical security and stability of the Internet.

These organizations play an important role in ensuring that the Internet functions properly. They have demonstrated their ability to respond to an ever-changing environment. The Internet remains a vibrant and reliable

¹ In the context of the technical coordination of the Internet, the term private sector led refers broadly to the Internet community including business, technical experts, NGOs, individual Internet users, academics, associations, etc.

means of communication as a result of the coordination of the organizations identified above.

While business strongly advocates the need for continued private sector leadership of the technical coordination of the Internet, we understand the importance of the advice of governments. All economies depend on business succeeding and thus must be responsive to the policy concerns of their respective citizens, many of whom are users of the Internet. Governments likewise must be apprised of the Internet's development, and have the opportunity to provide input when matters arise that require such input. It is for this reason that business supports active government involvement in the relevant advisory bodies to the entities involved in the technical coordination of the Internet such as the Government Advisory Committee of ICANN. Finally, it is important to note that business recognizes the important contribution and role of governments in public policy matters. In this context, the role of the organizations identified above is limited to the technical coordination of the Internet and limited policy authority related to such coordination.

It is through these fora that governments have opportunities to work with the private sector, that has the expertise and innovation, to ensure the continued Internet growth and reliable and interoperable communications.

Enabling Environment

Draft Non-Paper:

Section 6) Enabling environment

This section should include the following:

- separate reference to the importance of trade liberalization particularly with regard to telecoms, computer and related services, all goods and services necessary for the e-commerce infrastructure, and goods and services that can be delivered via e-commerce.
- clear reference to the need for an independent telecoms regulator.
- separate reference to technological neutrality with respect to user choice in all policies.
- inclusion of reference to policies that foster entrepreneurship and innovation.
- clear reference to the need for transparent public policy development processes.

Enabling Environment

Explanatory note

The private sector believes that the necessary enabling environment to promote the use of ICTs as a tool for economic and social growth is critical and fundamental to the success of the outcomes of this Summit and the objective of an information society for all.

Thus, a commitment by governments to take actions to ensure that the key components of a legal, policy and regulatory environment that will indeed attract investment in infrastructure and create the conditions for entrepreneurship and innovation is an absolute necessity.

Trade liberalization should be included in the text on the enabling environment because it is a critical component of ensuring growth along with pro-competitive, transparent, non-discriminatory, and predictable policy, legal and regulatory frameworks. Trade liberalization is the best means of ensuring long term access, global economic growth, job creation and consumer choice.

Cross-border flows of trade, investment, technology and managerial skills are vital in enabling all countries---but developing countries in particular --- to integrate themselves into the world economy and share in the benefits. Technological advances have been a key driving force in the history of human progress---however technological breakthroughs do not just happen---and neither do cross-border transfers of technology. They are the product of conditions that are conducive to scientific research, innovation, entrepreneurship and investment. Trade liberalization is one of these conditions.

Reference to the establishment of an independent regulator is important in this section because an independent telecoms regulator is essential to promote competition, ensure consumer choice, engender private sector confidence, and thereby attract needed investment.

Technological neutrality with respect to user choice must be included in every policy, legal and regulatory framework to ensure that users can make the choice that best meets their individual needs. Governments cannot know, case by case, what technology solution is best for every user. Governments should allow the market and open and competitive procurement policies to drive these decisions based on objective criteria such as performance, quality, security and value. Absent an adherence to technologically neutral public policies, governments run the risk of giving

some vendors of ICT capabilities unfair advantages, thereby diminishing competition, discouraging investment, and retarding technological advances.

Fostering entrepreneurship and innovation are part of the environment that will allow all countries to promote the information society for themselves. Entrepreneurship and innovation are encouraged by the elimination of administrative burdens, support for risk-taking, mechanisms that encourage creativity and reward entrepreneurs and innovators for the challenges that they take on. Local entrepreneurship and innovation allow the development of local content, local talent, local applications and stimulate the creation of jobs and wealth. Clear reference to fostering entrepreneurship and innovation should be made in the section on 'enabling environment'.

A clear reference to transparent policy development processes is important to ensure that there is active and informed involvement of the private sector, civil society and citizens in policy development at the local, national, regional and international level.

The private sector, as a major owner and operator of infrastructure and a primary source of capital and investment is an important voice in the policy development process. If policies are being developed to promote economic growth then the primary contributors should be consulted. Such transparent policy development processes help create predictability in the legal and regulatory system which in turn drives investment decisions.

Additional comments on specific sections

- Section B, subsection 2) paragraphs 18- 20:
Connectivity is an important issue and we support its being addressed clearly as it is.

In paragraph 20, we recommend deleting the phrase ‘public service obligations’ and replacing it with ‘universal access obligations’ because we do not support an extension of universal extensions to the Internet.

- Section 5)
Building confidence, trust and security in the use of ICTs

Paragraph 32:

The bracketed text ‘as well as to avoid the creation of barriers to access and trade’ is important and we would like to see it become unbracketed.

- Section 11)
International and regional cooperation is improved. Please see explanatory notes in CCBI comments submitted on 24 October.
- Paragraph 38
The Intellectual Property Rights (IPR) language is improved, however we would recommend that the words ‘and respected’ be added to the end of the third sentence.

We do not understand the last clause in the last sentence regarding the development of a legal framework, since it would seem that such a framework already exists through WIPO.

- Paragraph 40
The bracketed reference to ‘technology neutrality’ should be unbracketed.
- We support the important references to investment and the need to create the necessary conditions to attract investment particularly in infrastructure to promote the information society.
- We note that paragraph 49 references a UNESCO document, and we understood that there was an agreement not to reference any particular document outside of general UN documents.

The Coordinating Committee of Business Interlocutors (CCBI)

Preliminary input on the draft Non-Paper of the President of the WSIS PrepCom
on the Declaration of Principles [dated 24 October 2003]

29 October 2003

WHAT IS THE COORDINATING COMMITTEE OF BUSINESS INTERLOCUTORS?

The Coordinating Committee of Business Interlocutors (CCBI) is the voice of business in the Summit.

Principals of the Summit host countries and executive secretariat invited the International Chamber of Commerce (ICC) to create the CCBI as a vehicle through which to mobilize and coordinate the involvement of the worldwide business community in the processes leading to and culminating in the Summit.

The CCBI is made up of - and open to all - representatives of individual business firms, as well as of associations and other organizations that represent business interests.

Among the organizations actively involved in the work of the CCBI, in addition to ICC, are: Asociacion Hispanoamericana de Centros de Investigacion y Empresas de Telecomunicaciones, Brazilian Chamber of Electronic Commerce, the Business Council of the United Nations, Business and Industry Advisory Committee to the OECD; Global Business Dialogue on Electronic Commerce; Global Information Infrastructure Commission; Money Matters Institute; United States Council on International Business; World Economic Forum; World Information Technology and Services Alliance; French Publishers Association; International Publishers Association; and Gobierno Digital.

For further information regarding CCBI, please consult the WSIS website at:

<http://www.itu.int/wsis/index.html>

ICC's website at: http://www.iccwbo.org/home/e_business/wsis.asp

Or contact wsis@iccwbo.org

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