World Summit on the Information Society

The Coordinating Committee of Business Interlocutors (CCBI)

Comments on Draft Declaration of Principles and Draft Action Plan

(versions dated 21 March 2003)

CCBI is pleased to have the opportunity to submit comments on the revised draft Declaration of Principles and Draft Action Plan following the second preparatory committee meeting. The business input highlights key issues for consideration during the negotiations and further drafting process of these two documents. Every attempt has been made to provide reasoning for the comments and suggested changes.

GENERAL COMMENTS:

1. CCBI recognizes that the primary and formal work products of the Summit in Geneva should be (1) a Declaration of Principles, and (2) an Action Plan as this is consistent with what was envisioned in Resolution 73 of the International Telecommunication Union[1], and Resolution 56/183 of the United Nations[2], both of which gave birth to this Summit. CCBI commends the drafters for actualizing the outcomes envisioned by those who conceived and established the Summit.

2. We suggest that the documents should have much more focus and prioritization. The documents focus primarily on the general political objectives that can be attained through an information society. Though

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[1] Resolution 73 of the International Telecommunication Union, adopted at the ITU Plenipotentiary meeting in Minneapolis in 1998, proposed and envisioned a Summit that would: "[establish] an overall framework identifying…a joint and harmonized understanding of the information society; [draw] up a strategic plan of action for concerted development of the information society by defining an agenda covering the objectives to be achieved and the resources to be mobilized; and [identify] the roles of the various partners to ensure smooth coordination of the establishment in practice of the information society in all Member States."

[2] Resolution 56/183 of the United Nations, adopted in January of 2002, characterizes the then-envisioned World Summit on the Information Society as a summit that would "[develop] a common vision and understanding of the information society and [adopt] a declaration and plan of action for implementation by Governments, international institutions and all sectors of civil society."

these political objectives are important, and information and communications technologies (ICTs) can be a tool in promoting them, it is essential to first ensure that the fundamental building blocks for an information society are in place so that they can facilitate the political objectives.

CCBI has urged that the priority issues include the following:

- A secure infrastructure*:* introducing competition and providing a favourable regulatory environment to create the framework necessary to ensure deployment/development of the information infrastructure by business;
- A sound and equitable education and health care system;
- A recognition of the benefits of ICT applications, such as e-learning, e-health and e-government.

CCBI also suggests that prioritizing the issues that further an understanding of the fundamental building blocks of the Information Society is an absolute essential first step to accomplishing the political objectives.

3. CCBI suggests that the Declaration of Principles should emphasize principles and steer away from long explanations and rationalizations. The Declaration ideally would be short, clear, concise and truly focused on principles for heads of state to ascribe to.

    Given that this is a Summit, we respectfully note that the documents should address general policy objectives rather than detailed issues. For example, the documents address specific issues such as Internet cost-sharing arrangements, Internet names and numbers and open-source software. Though these issues are currently part of the international policy dialogue, they are quite specific and may not be appropriate for reference in the Declaration and Action Plan.

    To capture the attention of public opinion leaders throughout the world and compel others to needed action, the Declaration of Principles must be concise, clear, and specific only to a degree appropriate for national heads of state to subscribe. As it stands now, the Declaration is a long and complex enumeration of issues -- as opposed to statements of belief -- that have arisen and been addressed in Summit planning meetings.

4. CCBI suggests that the Action Plan should articulate specific actions and eliminate rhetoric, which in effect dilutes the document. Further, the Action Plan should state with unwavering clarity what specific actions are going to be carried out, by whom, how, and where, with clear processes to measure achievements of the actions. The Action Plan should not contain information about why certain actions are included in it, and instead the reasons for the actions should be self-evident from the Declaration of Principles which is a complementary document.

5. The documents fail to recognize the leadership of the private sector in the information society. We note that paragraph 48 in the Plan of Action identifies the private sector as a "player" or "partner". However, the role of the private sector is much greater and more significant – business is the driver of innovation and owner of the majority of the infrastructure. The pivotal roles of private investment and national public policies inviting of such investment must be accorded the utmost importance in the Declaration and Action Plan. As the documents stand now, these factors have been given insufficient weight and prioritization.

    The Declaration and Action Plan must reflect the pivotal role of private investment. While the proposed Declaration is not totally silent on the subject, business feels it assigns insufficient weight and prioritization to the following:
    (1) the essential nature of private investment to the development, deployment, maintenance, and modernization of the world's communications and information networks and facilities, and
    (2) public policies that are inviting of such investment.

    Not until the fortieth of fifty-three sections of the proposed Declaration, for instance, is the importance of these factors briefly—and somewhat awkwardly—acknowledged. A more egregious example of this neglect, business feels, is in paragraph 10 of the Declaration, which strives to delineate the "essential requirements" of an "information society." The listing of such requirements contains no mention whatsoever of (a) bedrock communications infrastructure facilities, (b) the skilled human, technological, and capital resources required to develop, deploy, run, and upgrade such facilities, (c) public policies inviting of investment in and of such resources, and (d) national strategies to guide the promulgation, adoption, and enforcement of such policies.

    It is essential that the Declaration and Action Plan place high priority on a policy framework that promotes competition, including increased trade liberalization, and private sector investment. Business will make its investment decisions based on evaluation of such market realities. As outlined below, this policy framework is an essential ingredient to resolution of many of the policy questions that governments will confront at the Summit. The documents should reflect this fact, both in terms of general policy goals and in terms of specific issues addressed.

6. The Summit's success depends on a careful defining and delimiting of that which is at its core, the term "information society."

    If such a definition or appropriate characterization is not developed, we fear, the Summit will run the risk of being hijacked by the unwieldy and unmanageable number of diverse and disparate interests that may

overburden the WSIS and undermine the focus on the building blocks and development of the information society.

Business believes that the following proposed language for the opening of the Declaration would be an accurate reflection of the overarching and threshold sentiments subscribed to by the delegates to the first phase of the Summit in December 2003:

"We the representatives of the peoples of the world…declare our common desire and commitment to facilitate, foster, and accelerate the world's evolution toward an advanced Information Society, one….in which tools for communications and information dissemination become more ubiquitously available than they have been heretofore, so as to facilitate a more peaceful, prosperous, and just world."

7.   The Action Plan sets forth many worthwhile goals but it does not state how to achieve them. One of many examples is paragraph 5, which calls for the creation and provision of low-cost access equipment. In business' view, the only way to achieve this goal is through liberalization and competition. Thus, we believe it is essential that the documents reflect the critical role of competition, not monopoly or government mandates.

8.   The Declaration and Plan of Action are often redundant. This of course does not raise a major policy issue but it does illustrate the need for more focused documents.

9.   The 'information society' is a concept, but CCBI suggests that contrary to the statements in both the Action Plan and Declaration, it is not an 'evolving' concept. It is a concept that has been given new meaning by the relatively recent explosive evolution from basic or traditional forms of mass communications to more sophisticated and dynamic forms of communication. These forms of communications, in turn, are expanding opportunities for individuals to acquire, transmit and process information, to enhance understanding, knowledge and sound judgment, and thereby to foster economic and social development at a rate heretofore unprecedented. It is critical that the Declaration and Action Plan tie information and communications technologies to development.

SPECIFIC ISSUES:

1.   Enabling environment – (Declaration Paragraph 38-45. Action Plan Paragraph 28-34): The fundamental nature of the enabling environment suggests that it should be given a clear priority in the sequence of the paragraphs to underscore that without appropriate conditions the

information society and the issues articulated in these documents will
not be relevant.

2. Intellectual Property Rights (IPRs) - (Declaration Paragraphs 7, 9, 10, 21,
    22 and 50. Plan of Action Paragraphs 12 and 34): Both the Declaration
    and the Action Plan mention the need to ensure a balance between
    intellectual property rights and the public interest as well as needs of
    users of information. In this respect, it should be noted that the
    intellectual property system itself already represents a delicate balance
    between the needs of the creator and the user, and is intrinsically
    designed to benefit society as a whole. IPRs contribute to society by
    maintaining fair competition and encouraging the production of a wide
    range of quality goods and services, underpinning economic growth and
    employment, sustaining innovation and creation, promoting
    technological and cultural advances and expression, and enriching the
    pool of public knowledge and art.

    We recognize that paragraph 34 of the Action Plan states that initiatives
    to ensure a fair balance between IPRs and the interests of the users of
    information should take into consideration the global consensus
    achieved on IPR issues in multilateral organizations. If references to
    intellectual property and access to information remain in both
    documents, the Declaration should also clarify its language to ensure
    that the global consensus achieved on IPR issues in multilateral
    organizations is preserved. It is essential that TRIPS and the content of
    the WIPO Treaties be respected and preserved.

     The second bullet point under paragraph 34 of the Action Plan states
    'An appropriate legal framework should be defined for the development
    of a public domain of information and knowledge'. This sentence is
    vague and presents again the lack of support for ongoing initiatives in
    other venues such as WIPO. It is further unclear why 'Protection
    against unfair use of indigenous knowledge should be developed' is
    included as the third bullet point in this paragraph. This is a complex
    issue with implications far beyond the scope of WSIS, and discussion on
    this topic should be pursued in venues where the debate is already well
    underway, most notably in WIPO. Inclusion of this topic serves only to
    complicate the attempt to address IP issues in these documents and in
    other venues.

3. Equitable Access – (Declaration Paragraphs 9, 22 and 25. Action Plan
    Paragraphs 25 and 39): How is equitable access defined and how would
    it be achieved? We suggest that this should be clarified, and how it will
    be achieved should be defined. CCBI will provide more substantive input
    once we receive clarification.

4. Deployment of Infrastructure – (Declaration Paragraphs 15-18. Action
    Plan Paragraphs 1-11): The sections in both documents dealing with

infrastructure fail to recognize the important role of the private sector in innovation and investment in infrastructure. The documents must clearly advocate the adoption of a policy framework that promotes competition, including trade liberalization, and private sector investment so that the private sector can fulfill this critical role.

5.   Cultural Diversity and Local Content – (Declaration Paragraphs 48-50. Action Plan Paragraphs 18, 42 and 43): It is important that the promotion of cultural diversity and local content do not create unreasonable barriers to trade.

6.   Technology Transfer – (Declaration Paragraphs 28 and 53. Action Plan Paragraphs 19 and 56): The Action Plan calls for concessional, preferential and favourable terms to developing countries for facility access and knowledge and technology transfer. The private sector will be providing much of such access and transfers and will do so based on commercial negotiations and/or investment decisions. This again underscores why an appropriate policy framework that promotes competition and investment and does not impose unreasonable obligations or conditions on investors is essential.

7.   Demand Driven Applications – (Declaration Paragraph 30): The content of the paragraph is not in dispute. However, the crux of the issue is how to stimulate demand. Once again, the way this will be accomplished is through a competitive policy framework.

8.   Security – (Declaration Paragraphs 35-38. Action Plan Paragraphs 24-27): CCBI strongly supports the promotion of a "culture of security." However, business is concerned that the documents reflect several fundamental misunderstandings about security.

- First, networks and information systems can be built to resist attempted security incidents, and they do not prevent, detect and respond to all security incidents. System administrators, along with tools available to them, prevent, detect and respond to such incidents.
- Second, the documents should clearly state the fact that all stakeholders have a role in promoting a culture of security.
- Third, there appears to be confusion over the distinction between security and cyber-crime. Appropriate laws are necessary to address cyber-crime but laws are not necessary to mandate particular levels of security. Legal provisions mandating security may in fact undermine security for the following reasons:
    1. Different sectors and different types of information and transmissions necessitate different levels of security, and laws/regulations do not always account for such differences;

2. It can lead to inefficient direction of security expenditures, skewing of innovation, creating a security floor, and resulting in a failure to keep-up with technology; and

3. It offers hackers information as to the security measures deployed.

- Fourth, the private sector has and continues to work to develop rapid reaction organizations to deal with security threats.
- Fifth, we strongly oppose the call for a security treaty.
- Finally, we do not believe it is necessary to single-out a particular sector since the UNGA Resolution applies to all stakeholders and all business sectors.

9. Open Standards and Open Source Software – (Declaration Paragraphs 24 and 42. Action Plan Paragraphs 14 and 28): It is important to understand the distinction between open standards and open source software. An open standard is a technical specification whereas open source is a software development model, which like any other software development model, may or may not implement open standards.

   Standards do not require either proprietary or open source software for their adoption or utility, and in some cases may combine technology or intellectual property developed under both software development models. Furthermore, when these standards are open and available to all through reasonable and non-discriminatory licensing, they help all developers create products that inter-operate with each other. Therefore, governmental policy on software standards should not discriminate in favour of or against any particular software development model.

10. Standards– (Declaration Paragraphs 24 and 42. Action Plan Paragraphs 14 and 30): Any reference to standards should recognize that they should be voluntary, international, consensus-based and industry-led.

11. Open Source Software-(Declaration Paragraphs 24 and 42. Action Plan Paragraphs 14 and 28): While governments have legitimate concerns about reducing costs associated with software, they should bear in mind that open and competitive procurement policies avoid market distorting effects and result in greater competition that benefits governments and citizens in the long term. Therefore, as a general matter, multilateral government declarations, including that of WSIS, should remain neutral with respect to different technologies and modes of technology development.

12. Management of Internet Names and Numbers – (Declaration Paragraph 45. Action Plan Paragraph 33): CCBI supports private sector leadership of the management of Internet names and numbers as embodied in ICANN. Therefore, business cannot accept any reference to an inter-governmental organization engaging in such management.

13. Internet Cost Sharing Arrangements – (Declaration Paragraph 26. Action Plan Paragraphs 9 and 15): CCBI members believe that the market and commercial negotiations should prevail. Recent data on Internet traffic flows indicates that the market is facilitating increased intra-region traffic. Unnecessary regulation could, in fact, constrain development of ICTs and slow the expansion of Internet infrastructure and services worldwide. Finally, we note that all regions can benefit from having access to the vast store of information available over the Internet.

14. E-Business – (Action Plan Paragraph 37): There is a misunderstanding in the last bullet regarding liberalization of trade. Neither digital technologies nor enterprises can liberalize trade, only governments can do so pursuant to trade liberalizing commitments.

15. Employment and Education: (Action Plan Paragraphs 20, 21, 22, 23, 38 and 40): The Action Plan emphasizes the need to equip young people with ICT knowledge and skills, however it must also recognize the equal importance of lifelong learning in ensuring that the workforce does not become redundant. Moreover, universal basic education must be established before specific ICT skills can be imparted. A policy framework that promotes private sector investment is also important to retaining skilled workers and preventing 'brain drain'. Finally, e-employment should be supported by governments for its ability to create jobs, increase efficiency, and improve customer service, and work and family balance.

16. Global Digital Compact (Action Plan Paragraph 45): Business cannot commit to supporting a "Global Digital Compact" without clarification regarding what such an agreement would include and what would be expected from business. We would like to note that there are many company sponsored programmes to promote the use and integration of ICTs in economic and social structures. Companies have perfected these programmes drawing upon their expertise. Finally, as has been mentioned throughout this document, business will invest when and where there are favourable conditions- ie, a policy framework that promotes competition without committing to a formal compact.

17. Market environment – (Declaration Paragraph 40. Action Plan Paragraph 29): CCBI urges that an essential element of market conditions to promote the Information Society is an environment that fosters local entrepreneurship. The importance of governments' role in addressing the obstacles and impediments to the flourishing of local entrepreneurship should be clearly stated.

18. National strategies – (Declaration Paragraph 41. Action Plan section C Paragraphs 46-53): CCBI suggests that the commitments by

governments to implement or develop national ICT strategies should clearly reflect the following elements:

- National ICT strategies should create an opportunity for measurable targets to assess progress toward their implementation;
- National ICT strategies should be developed in the context of a commitment to an open policy-making process where all stakeholders can contribute equally;
- National ICT strategies must include implementation of transparent and predictable legal and regulatory environments that encourage investment, entrepreneurship, economic development and a healthy business environment.

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: Associacion 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; and World Information Technology and Services Alliance.

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
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