UNCTAD

UNCTAD Contribution to WSIS Draft Declaration of Principles and Draft Action Plan

This note provides comments and suggestions on the WSIS Draft Declaration of Principles and Draft Action Plan of 21 March 2003. It is based on UNCTAD's work on ICT and e-business for economic development, and particular its recent work on national ICT strategies, which has been addressed both at the intergovernmental level and at a series of high-level international and regional conferences with participation of policy-makers and members of the business community and the civil society. [1] [2]

UNCTAD considers the adoption of ICT by the business sector a key element of the information society, and of the globalising world economy and international markets. The use of ICT has considerable impact on the exchange of goods and services and on the productivity of enterprises, including SMEs. An increasing share of trade transactions, especially between businesses, is relying on ICT, which reduces transaction costs and enables businesses to reach the global market at relatively low cost. ICT also allows large improvements in enterprise competitiveness, labour productivity and business relationships within and between enterprises.

Notwithstanding these potential benefits, in many developing countries, the use of ICT and e-business has not yet taken off. However, the benefits of participating in the information economy

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[1] During 2002, regional conferences on E-Strategies were held in Curaçao for Central America and the Caribbean (June 2002) and in Bangkok for Asia-Pacific (November 2002); an intergovernmental Expert Meeting on E-Strategies was held in Geneva (July 2002). For 2003, regional conferences on E-Strategies are scheduled to take place in Tunis for Africa (June 2003), in Geneva for the transition economies (October 2003) and in Rio de Janeiro for Latin American (November 2003). An intergovernmental Expert Meeting on E-Measurements will be held in Geneva in September 2003. For further details, see www.unctad.org/ecommerce.

[2] UNCTAD (2000): "Building Confidence: Electronic Commerce and Development", United Nations: Geneva and New York;

UNCTAD (2001): "Electronic Commerce and Development Report 2001", United Nations: Geneva and New York;
UNCTAD (2002): "Electronic Commerce Strategies for Development: The Basic Elements of an Enabling Environment for E-Commerce", background paper, TD/B/COM.3/EM.15/2.
UNCTAD (2002): "Electronic Commerce and Development Report 2002", United Nations: Geneva and New York. The "Electronic Commerce and Development Report 2003" will be launched in November 2003, featuring the topic of national e-strategies.

may be as high as the costs of being excluded. The impact of the digital divide on developing countries' economies must therefore be addressed at both national and international levels.

E-business therefore merits high profile in both the WSIS declaration and the plan of action, given that the adoption of e-business practices is likely to be one of the most powerful transmission mechanisms through which the effects of ICT will spread across developing economies. This process of adoption of ICT by developing countries is still at a very early stage and many countries are only starting to put in place national e-strategies and action plans to create an enabling environment for the information economy. It is therefore important to ensure that issues related to the commercial applications of ICT in developing countries receive adequate attention from policy-makers when designing and implementing the agenda for change that should emerge from the WSIS.

The following provides specific comments to the two WSIS draft texts. It also makes suggestions on how UNCTAD could contribute to the implementation of the action plan, within its area of competence and expertise.

1. Contribution to Draft Declaration of Principles (Document WSIS/PCIP/DT/1-E)

Paragraph 12

Insert from p. 9 [12]

ICT as a tool for Development: Being a horizontal platform for economic development and a tool for social integration, information and communication infrastructures and services must be, without delay, extensively deployed and used in all developing countries in order to achieve the UN Millennium Development Goals (MDG) in particular to help promoting sustainable development and in eradicating poverty.

Add:

The use of ICT by all economic sectors improves efficiency in the use of resources and facilitates and promotes international trade and investment, thus making developing economies more competitive, more likely to benefit from integration in the global economy and creating better jobs. ICT development strategies must therefore include policies and measures to increase the adoption of ICT across the economy.

Paragraph 15

Add at the end of the paragraph:

National strategies for the information society should therefore incorporate a gender perspective at all levels of policy action.

2. Contribution to Draft Action Plan (Document WSIS/PCIP/DT/2-E)

Paragraph 35

Delete the last sentence. Add:

The following are areas where applications of ICT are likely to result in the biggest achievements as regards social and economic development.
Paragraph 37

Replace the last point with:

The use of ICT can increase the productive capacity of SMEs, in particular in developing countries, and enhance their export competitiveness by making business processes and trade support services more efficient, improving firm organization and management, enhancing contacts with clients and business partners, creating new business opportunities in ICT-related goods and services, and upgrading products or activities on the value chain.

Paragraph 45 b)

Replace existing sentence with the following:

Developing national estrategies for all countries within three years. National estrategies should be:

- Comprehensive, incorporating all relevant policy sectors such as: telecommunications infrastructure and access, human resources development, legal and regulatory issues, education and health, business and economic environment, technology development, enterprise development and local content, and measurement and monitoring mechanisms; the gender dimension should be included in all policy actions;

- Designed and implemented in close cooperation with all relevant stakeholders;

- Coordinated at the highest political level in the country, i.e. the office of the head of state.

UNCTAD can take a key role in assisting developing countries in developing national e-strategies, based on its work in this area over the past years.[3]

Paragraph 45 d)

UNCTAD can contribute to work on digital development indices, based on the work it has carried out in this area.[4]

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[3] See meetings and publications listed under footnotes 1 and 2.
[4] UNCTAD (2003): "Information and Communication Technology Indices", United Nations: New York and Geneva.

Paragraph 45 e)

UNCTAD can contribute to such a handbook in the area of ICT for economic development.

Paragraph 51

All organizations should contribute in their respective areas of competence and expertise.

UNCTAD can contribute in the area of capacity building for the development of national e-strategies, as well as providing a forum for developing countries to discuss ICT-related policy issues, exchange of experience and best practices. UNCTAD can also assist developing countries in developing mechanisms for monitoring and measuring digital economy developments and ICT usage in their countries (see paragraphs 52 and 57).

Paragraph 52

Add after the first sentence:

A set of core indicators on ICT usage by people, businesses and governments should be collected by all countries in order to harmonize information society data and information at the international level.

Paragraph 57

Modify first sentence:

*A realistic international monitoring and benchmarking (both qualitative and quantitative) exercise, through comparable **gender-disaggregated** statistical indicators, should be developed to ...*

Add after the first sentence:

International organizations such as the OECD, UNCTAD and UNESCO shall assist in the process of defining indicators and methods, with the objective to harmonize information society data at the international level.