

**ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN
ECLAC, UNITED NATIONS**

ECLAC wishes to congratulate the countries and observers actively involved in the WSIS preparation process and the WSIS secretariat for the notable effort that led to Document WSIS/PCIP/DT/1-E and Document WSIS/PCIP/DT/2-E and is pleased to have the opportunity to submit some comments on both documents.

- 1) The Working Group might want to consider the inclusion of some clear and delimiting definitions of the key concepts in the documents. Terms like “Information Society”, “information and communication technologies” and diverse “e-sectors” for example, so far lack a clear and commonly accepted definition and it might be a valuable outcome of the Summit to contribute to this end. If those terms are not clearly defined, but used in such a crucial document as the declaration of WSIS, they might even create more confusion and therefore rather hamper the transition toward the Information Society.

For example, in general both documents refer to “information and communication technologies (ICTs)” (draft action declaration of principles, Section I [1]). At several parts it is also referred to “IT” (which stands most probably for information technologies; see draft action plan Section I [19] or [53]). It is however not clear what is the difference between ICT and IT?

Another example is the use of the “e-“ as a prefix. Usually in literature the “e-“ is added as a prefix to a word that describes an area of activity in which a major part of the information flows and communication processes involved move through electronic

networks¹. The usage of the terms “e-government”, “e-business”, “e-learning” and “e-health” in both documents seem to fit this definition (see draft action plan, Section I [36], [37], [38], [39]). However, it is not clear how the terms “e-worker” or “e-employers” would fit this definition [see 40]. Those terms refer to persons and not to areas of activity and it is not obvious which are the information flows and communication processes to be digitized here.

In both cases, a common definition and the appropriate use of it would help to minimize such confusion. With regard to the definition of the concept of an “Information Society” we propose the definition elaborated by the countries represented at the Regional Preparatory Ministerial Conference of Latin America and the Caribbean for the WSIS (Bávaro):

“The information society is an economic and social system where knowledge and information constitute the fundamental sources of well-being and progress and that it represents an opportunity for our countries and societies, so long as it is understood that the development of that society within a global and local context requires a deeper appreciation of fundamental principles such as those of respect for human rights within the broader context of fundamental rights, democracy, environmental protection, the advancement of peace, the right to development, fundamental freedoms, economic progress and social equity.”

- 2) With regard to the cooperation among stakeholders and the role of international organizations (draft action plan Section I [17], [51], [52], [54]) we would like to stress the importance of cooperation at the regional level. Experience shows that in the field of Information Society development, international cooperation brings great benefits at the regional level. Regional cooperation can for example benefit from geographic proximity in infrastructure development (especially small countries, such as in Central America) and from cultural and linguistic ties in content development (such as throughout Latin America). The development of regional Information Society strategies, as an intermediate stage to adjust global and national strategies is therefore a field of great interest and often does not receive sufficient attention. The UN Regional Commissions would be an appropriate forum to accelerate such regional efforts, as well as to monitor and to continue the work of WSIS at the regional level (add to draft action plan, Section I, [E] “Follow up”).
- 3) Regarding Standardization (draft principles, Section I [42]; draft action plan, Section I [30]) the present situation in Latin America makes clear that from the perspective of developing countries a severe obstacle is the lack of participation in an open and transparent standard setting process. Developing countries lack the know-how and the necessary financing to participate in international standard consortia, and their views are often not considered. Developing countries are “standard taker”, not “standard maker”. If this is to change and if the specific requirements of developing countries are to be respected in the international standard setting process, developing countries should be ‘enabled and encouraged to participate in such international standard consortia’.

¹ ECLAC, Dec 2002; “Road Maps toward an Information Society in Latin America and the Caribbean”, LC/G.2195(CONF.91/3); <http://www.eclac.cl/cgi-bin/getProd.asp?xml=/publicaciones/xml/9/11579/p11579.xml>

Regarding Spectrum Management (draft principles, Section I [43]; draft action plan, Section I [31]) it is recognized that the “full observance of national laws and regulations” is a normal requirement. One of the main problems of Spectrum Management in Latin America however, is rather the lack of coordination at the international level, with the painful result of not being able to benefit from economies of scale in equipment production and from the advantages of inter-operability. The historical success of IMT-2000 has been a great advance in the direction of an international agreement, but those efforts are not really enough, as the heterogeneity of standards and radio frequency bands in Latin America shows. Therefore, countries should be encouraged to ‘better coordinate spectrum management on the international level’, in “accordance with the basic principle of legality”.

- 4) While the draft action plan refers to e-government applications to benefit public administration (Section I [36]) no reference is made in this point regarding the use of ICT for better citizen participation. The three listed action bullets all point to the improvement of public services and administration (“e-administration”). Notwithstanding such applications should be in a balanced approach with the increase of transparency and participative applications (“e-democracy”). It is important to point out that the introduction of transparency in the public sector is a prerequisite for better democratic participation, but does not automatically lead to it. Therefore, e-democracy should start with the introduction of transparency in the public sector, but has to be extended to gradually increasing citizen participation as an extra challenge. A recent study on local e-government by ECLAC² for example, points out that citizen participation applications are not only among the most popular and important applications in local municipalities, but also among the most advanced. In Peru for example, a survey of 77 municipalities shows that Peruvian town mayors see the increase of citizen participation as a more important objective of their e-government initiative than the provision of online services for local enterprises (48% vs. 43%). Furthermore, the most developed online application in Peruvian municipalities supports citizen’s participation in the process of discussing and establishing the municipal budget. 17% of the Peruvian municipalities already offer complete and bi-directional online transactions in the field of participatory budget. In Chilean municipalities (sample of 106 municipalities) the most sophisticated online application are informal citizen participation application, such as citizen complaints mechanisms. Those applications are not only relatively cheap to implement (e.g. through simple email or a chat room) but also become popular very quickly and can therefore help to win support for the e-government initiative and contribute to diffuse the initial fears and doubts toward this new form of public services.

E-democracy is not only an effective tool to strengthen democratic processes, but can also be the driving force of e-government initiatives, especially in developing countries. A ‘balanced combination of electronic service delivery (e-administration) and forms of electronic participation (e-democracy)’ should therefore be a basic characteristic of e-government right from the start.

² Martin Hilbert (2003); “Local e-government: digital municipalities in Latin America – with empirical data from Chile and Peru—”.

- 5) The (multi) media industry is one of the largest industries in the world economy and certainly the most powerful one. In the Information Society, media companies are undoubtedly the most important content provider. While the draft document on principles makes reference to the importance of traditional media such as print and radio (Section I [51]), Section I does not refer to the current structural dynamics in the media industry and its implications for local content provider. The existence of the “worldwide digital network”, the infinite economies of scale of digital content, the high cost of developing advanced content (such as for digital TV or 3G) and the resulting power of a few transnational media giants are threatening the existence of local media companies. While in the first years of the “Internet revolution” it has often been claimed that the new, interactive way of media communication will put an end to media concentration, recent years have shown that economies of scale prevail, and that the fierce and unprotected worldwide competition through digital networks makes it difficult for ‘small content providers’ to stay competitive. ‘Small content providers’ are not necessarily local ones. In Latin America, the largest regional media companies count as one of the largest companies in their countries, however only reach revenues of 6-12% in comparison their transnational counterparts with which they compete in digital networks³. In many cases domestic content providers do not succeed in the competitive environment and the industry becomes threatened by strong monopoly powers. In this regard Section I comments on the importance of cultural and linguistic diversity (Section I [10], [48], [49]), but does not link it to the increasing media concentration and the resulting implications for diversity issues.

Section II of both documents makes reference at various points to the necessary limitation of excessive media concentration, to the benefits of competition in the information industry and the support of the local industry in order to assure the creation of adequate local content, the preservation of cultural identity and the celebration of cultural diversity (draft principles Section II [51]; draft action plan Section II [34A], [42], [44], [45]). Paragraph 8 in draft action plan Section I [42], [43], [44] would benefit from the inclusion of this clear language in favor of anti-monopoly legislation in the media industry. A competitive, diverse and free media industry is too important for the concept of an Information Society, to chance having it become dominated by a few powerful companies.

³ Martin Hilbert “e-Media”, Jan. 2003 in Hilbert and Katz “Building an Information Society: A Latin American and Caribbean Perspective”, ECLAC LC/L.1845/1 <http://www.eclac.cl/cgi-bin/getProd.asp?xml=/publicaciones/xml/2/11672/P11672.xml&xsl=/ddpe/tpl-i/p9f.xsl&base=/tpl/top-bottom.xsl>