

## **CWG-Internet: Online Open Consultation (October 2016- January 2017)**

Submission by

*The Centre for Technology Law and Development*

### **1. What are the developmental aspects of the Internet (for example, economic, social, regulatory and technical aspects), especially for developing countries?**

#### **Economic**

The economic impact of the Internet in both developed, and developing country economies should not be underestimated. According to a 2015 Internet Association report,<sup>1</sup> the Internet economy generated approximately \$966 billion in the United States of America; this translates to roughly six percent of the overall economy. In a study, the Boston Consulting Group projected that in 2016, the Internet economy would contribute an average of 4,9% to the national Gross Domestic Product of developing countries.<sup>2</sup> Based on this projection, the Internet economy contributed an estimated \$708 million<sup>3</sup> to Zimbabwe's economy in 2016.

Zimbabwe has experienced acute cash shortages since May 2016 following the Reserve Bank of Zimbabwe's announcement on the introduction of a local currency they called bond notes. This sent the market into panic and led to people hoarding cash and keeping it out of formal banking channels. Even after the introduction of Bond Notes, there has been no marked change in terms of cash liquidity. Internet based transactions such as online payments, and electronic banking have eased the shortages. In addition to this, mobile payments and other forms of mobile money have helped alleviate the shortages. Without the use of Internet driven technologies, the economic outlook in Zimbabwe, might have been much worse.

The 2016 World Development report,<sup>4</sup> explains how the Internet is a key tool for development; the same report outlines how the Internet has helped promote inclusion, efficiency, and innovation in economies around the world. Inclusion in economic matters refers to greater involvement in economic matters by service providers and clients. These parties were previously excluded from economic transactions due to lack of adequate communication tools; as costs of accessing the Internet have become cheaper, it has become easier to share information between service providers and their intended clients. Secondly, improved access to information contributes to efficiency in production processes and costs. Lower production costs theoretically translate to lower selling prices for goods and services. Thirdly, Internet driven technology promotes innovation, Zimbabwe is currently experienced a swelling boom in technology based entrepreneurship. The growing number of mobile phone Application developers evidences this, along with the number of entrepreneurs running online service providers that range from online magazines,<sup>5</sup> a twitter based media house,<sup>6</sup> and online shopping platforms.<sup>7</sup>

Use of the Internet as a business tool has helped create formal and informal employment in local communities. Unfortunately, most of the employment created is in Zimbabwe's urban cities, towns, and areas due to lower rates of Internet literacy among Zimbabwe's rural population. This lack of sufficient connectivity in rural Zimbabwe is discussed further under the question three of this part note.

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<sup>1</sup> Internet Association, "New Report Calculates the Size of the Internet Economy," December 10, 2015.

<sup>2</sup> *Boston Consulting Group*, "The Internet Economy in the G-20", 2012.

<sup>3</sup> In the Zimbabwe 2017 Budget Statement, Zimbabwe's GDP in 2016 was an estimated \$14,1 billion.

<sup>4</sup> *World Bank Group*, "2016 World Development Report: Digital Dividends".

<sup>5</sup> [www.techzim.co.zw](http://www.techzim.co.zw) Last used 10 January 2017.

<sup>6</sup> [www.263chat.com](http://www.263chat.com) Last used 10 January 2017.

<sup>7</sup> [www.zimazon.co.zw](http://www.zimazon.co.zw) Last used 10 January 2017.

Developing country governments have an obligation imposed upon them by Sustainable Development goal number 9. This goal obliges governments to build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation. The Internet is vital part in fostering innovation in countries such as Zimbabwe. Massive Open Online Courses are one way in which Zimbabweans can acquire knowledge and skills in various technical and academic disciplines. This knowledge can be used to help develop the country's economy and industry.

### **Socio-Political**

Socially and politically, the Internet has helped Zimbabweans exercise their constitutional rights to access information,<sup>8</sup> to free expression online,<sup>9</sup> and to freedom of assembly online.<sup>10</sup> As a result, of affordable entry-level mobile phone smartphone handsets coupled with the existence of subsidised access costs to Over the Top services such as WhatsApp and Facebook, Zimbabweans are adopting cheaper ways to communicate, and to share religious, and political views. The mobile penetration rate in Zimbabwe stands at 97% of the total Zimbabwean population of 14,1 million people. The majority of people accessing the Internet do so on handheld devices. Thanks to the Internet, 2016 saw significant online social movements focusing on poor national governance gain prominence among Zimbabweans in and out of Zimbabwe. Examples of these movements are the Twitter and Facebook based #ThisFlag movement<sup>11</sup> as well as the #Tajamuka movement. Internet based communications gave people a platform to assemble online and share their grievances and views on the reforms needed at national level.

Internet based communications are useful in politically charged environments such as Zimbabwe where government critics live with the risk of either being jailed without trial, or at worst abducted as the case was with Itai Dzamara who has been missing since his abduction on the morning of 9 March 2015. Facebook, Twitter, and WhatsApp give individuals a degree of anonymity and this means people can speak more freely than they would in the physical world where their identity is readily ascertained. Unfortunately, the government is slowly clamping down on the use of Internet based communications and the use of social media in Zimbabwe using a partial Internet shutdown as well as an increase in mobile data costs, and a ten percent tax on all airtime and mobile data purchases.

## **2. How can governments and other stakeholders promote the developmental aspects of the Internet?**

The Zimbabwean government has a role to play in ensuring that the country enjoys safe access to the Internet. This is necessitated more by the United Nations resolution of July 2016<sup>12</sup> which calls on governments to “promote digital literacy and to facilitate access to information on the Internet.” Governments must ensure that there are adequate legal frameworks that protect people's access to the Internet and safeguard people's rights in online environments. The resolution also requires governments to take steps to “bridge the gender digital divide and enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of all women and girls.” However, in developing countries it is not only women and girls that are marginalised from access to the internet; the digital divide in developing countries often includes, the physically disabled, people with low incomes, and people in rural areas. Legislation aimed at regulating cyberspace is a basic legal requirement to ensure a safe space for individuals to participate freely

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<sup>8</sup> Section 62, Constitution of Zimbabwe, 2013

<sup>9</sup> Section 61, Constitution of Zimbabwe, 2013

<sup>10</sup> Section 58, Constitution of Zimbabwe, 2013

<sup>11</sup> <https://www.theguardian.com/world/2016/may/26/this-flag-zimbabwe-evan-mawarire-accidental-movement-for-change> Last used 10 January 2017.

<sup>12</sup> <http://www.ibtimes.co.uk/zimbabwe-tajamuka-social-movement-vows-protest-groups-challenge-regime-over-ban-1579718> Last used 10 January 2017.

online. It is unfortunate that the Zimbabwean government has been working on cyber legislation since 2012. Government also has a role to play in ensuring that MNOs and ISPs can safely invest in local telecommunications infrastructure.

The government alone does not have the human and financial resources to ensure a free and open Internet that is accessible by people from various economic, social, and political backgrounds. Mobile network operators, Internet service providers, and other intermediaries have their own role to play in promoting access to the Internet. In developing countries such as Zimbabwe, the cost of the Internet is still prohibitive, more so after the recent announcement by the Postal and Telecommunications Authority of Zimbabwe which fixed the *minimum* cost of data at \$0.02 per megabyte.<sup>13</sup> Spurred on by this announcement, Econet, Zimbabwe's largest mobile network operator hiked its mobile data prices with \$1 buying 10 megabytes of mobile data and \$35 buying 1,5 gigabytes of data. Such pricing is well beyond the recommended cost of Internet set by the United Nation's Broadband Commission, the Broadband Commission recommends that a gigabyte of data must not cost more than 5% of the average national monthly income.<sup>14</sup>

In addition to maintaining a reasonably affordable pricing regime, ISPs and MNOs have to ensure that they do not assist governments in censoring free speech or access to information hosted on their networks. In recent months, there has been an increase the number of cases in which service providers such as Twitter, Google, and Facebook have actively taken down content or have censored the information shared on their respective networks.

### 3. The challenges and opportunities?

Moving into 2017 Internet related **challenges** faced by a country such as Zimbabwe include:

- Political intervention in the regulation of the Internet leading to a violation or restriction of the rights to free expression, and the right to access info. This political intervention may be in the form of hiked mobile data prices, partial internet shutdowns, and intimidation and prosecution for online posts and online activities;
- Exorbitant charging models by both ISPs and MNOs that will make it hard for people to access the Internet;
- Lack of adequate infrastructure development that promotes wider and faster access to the Internet, especially in Zimbabwe's rural and outlying areas;
- Lack of net neutrality principles and practices; this is because it is cheaper to use service specific data bundles aimed at WhatsApp and Facebook services than to use data bundles that allow open access to all parts of the Internet;
- A lack of laws that regulate crimes that are specific to cyberspace and crimes targeted at computer and information systems.
- The digital divide on the Internet caused by affordability issues affects who has access to the Internet; there is need for solid government policies that promote the online participation of previously disadvantaged sections of society.

The available **opportunities** are:

- A youthful population that has a minimum level of technological literacy;
- Falling costs of entry-level computers and mobile smartphones.

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<sup>13</sup> <http://www.techzim.co.zw/2017/01/potraz-sets-new-minimum-prices-voice-data-bundles-packages-set-become-expensive/> Last used 10 January 2017.

<sup>14</sup> <http://a4ai.org/affordability-report> Last used 10 January 2017.

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