



ICC BASIS contribution to the ITU CWG-Internet Open Consultation on "Bridging the Digital Gender Divide"

Introduction

Speaking on behalf of businesses from all sectors and sizes in every part of the world, the International Chamber of Commerce (ICC) Business Action to Support the Information Society (BASIS) is of the view that information and communication technologies (ICT) and the Internet are enablers to growth, development and inclusion. They empower citizens, support the spread of knowledge, facilitate communication and participation and allow for continuous innovation and emerging technologies.

The United Nations Sustainable Development Goals (SDGs) call for several advances by the year 2030. The UN 2030 Agenda cites access to and deployment of ICT as specific targets in four of the SDGs (4, 5, 9 and 17). SDG 5 aims to achieve gender equality and empower all women and girls and calls for enhanced use of enabling technology – ICT in particular – to promote the empowerment of women. While ICT can contribute to the advancement of all 17 goals, the specific target in SDG 5 is a testament to the equalizing power of the Internet and the enormous potential ICT has on the empowerment of women and girls worldwide.

Following the decision of the International Telecommunication Union (ITU) Council Working Group on International Internet-related Public Policy Issues (CWG-Internet) on 25 May 2017 to hold an open consultation on "Bridging the Digital Gender Divide", ICC would like to take this opportunity to share global business perspectives on the topics addressed in the consultation.

Question 1: What approaches and examples of good practices are available to increase Internet access and digital literacy of women and girls, including in decision-making processes on Internet public policy?

Women are currently less likely than men to use or own digital technologies, with gaps larger among youth and those over 45 years old.¹ ICT improves efficiency, enhances coordination and improves the quality of information gathered and shared for development planning. At the same time ICT can give women access to basic needs such as healthcare and education.

However, these benefits are dependent on women having meaningful access to ICT, which can either be facilitated by affordability, relevant content, skills and security or impeded by the lack of these. Programmes through partnerships can help realise the opportunities ICT can offer, by boosting skilling, equipping women with digital devices and providing training that helps women teach their respective communities how to make the most of these tools.

The private sector plays a pivotal role in deploying Internet-related infrastructure and delivering a wide range of ICT services. Business also contributes to encouraging access through capacity

¹ <http://www.vitainternational.media/en/article/2016/01/20/digital-divide-is-it-really-crucial-to-narrow-the-gap-between-rich-and/165/>

building and education initiatives, promoting innovation, public-private research and development partnerships, where businesses work with other stakeholders.

Business is investing in extensive community-oriented training to enhance women's use of enabling technology. By partnering with local non-profits, programmes equip women with digital devices and provide training so that they can teach their neighbours and women in nearby villages on how to find relevant content, and how to make the most of these tools. Private sector initiatives are also reinforcing the importance of partnerships and inclusive approaches as many programmes encourage an entire lifetime attitude to training and awareness-raising for women of all ages.²

Business often collaborates with local communities, governments, as well as global organizations and has considerable knowledge and expertise in addressing gender access.³

A multistakeholder approach to policy and initiatives to Internet access and digital literacy of women and girls is important to leverage the valuable contributions of each stakeholder in ensuring successful outcomes. For example, civil society can advise on societal and cultural factors within social groups that may impact women's access and use of ICT. Groups are able to collect data and raise awareness on issues that create barriers for women.

The technical community lends its expertise by advising on technical capabilities of infrastructure and technology. This expertise is invaluable in considering how these can be used or how technological innovation might mitigate the socio-economic and political issues identified. For example, the technical community can work to gather data on gender gap and develop insights that can help drive evidence-based policy-making to overcome challenges.

Question 2: What approaches and examples of good practices are available to promote the access and use of ICTs by SMEs in developing and least-developed countries, particularly those owned/managed by women, in order to achieve greater participation in the digital economy?

While women make up more than 50% of the world's population, they also represent 70% of the world's poor.⁴ According to research, women reinvest 80% of every dollar made back into her family, meaning that practical support for the economic empowerment of women is a crucial step towards eradicating poverty and promoting prosperity. Advancing women's equality can add US\$12 trillion to annual 2025 GDP and if women play an identical role in labour markets to men, US\$28 trillion could be added to global annual GDP by 2025.⁵

The Internet is a great enabler, creating unprecedented opportunities for female entrepreneurs to enter global markets for the first time. ICT provides opportunities to boost small business growth by establishing an international, level playing field that enables all businesses, regardless of size, location or sector, to compete on an equal footing in global markets.

Access to ICT can impact gender equality by allowing women to participate more easily in the labour market and provide women with tools to feel more secure alone, access education and financial means to start and maintain a business.

Through innovation, investment and development of products and services, the private sector plays an important role in advancing gender equality and improving the lives of women.

² <https://www.microsoft.com/en-us/DigitalLiteracy/casestudies.aspx>

³ <https://www.telefonica.com/en/web/public-policy/blog/article/-/blogs/ict-and-social-innovation-the-m-inclusion-project>

⁴ <https://www.globalcitizen.org/en/content/introduction-to-the-challenges-of-achieving-gender/>

⁵ <http://www.mckinsey.com/global-themes/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth>

Question 3: Which are the available sources and mechanisms for measuring women's participation in the digital economy with focus on SME's and micro-enterprises?

It is widely agreed that there is a lack of reliable, consistent and gender-disaggregated data to measure women entrepreneurship that would extend to over several years and encompass several regions.

Among the available sources for measuring women's participation in the digital economy is:

- [Global Entrepreneurship Monitor \(GEM\) project](#)

Question 4: What measures/policies could be envisioned in order to foster the role of women as entrepreneurs and managers of SMEs, specifically in developing and least-developed countries?

There is a huge unrealized economic opportunity in tapping into the skills and talent of women that are currently underutilized or left out of the labour force altogether. A 2013 report by the International Monetary Fund⁶ found that underutilization of the female labour force results in GDP loss of up to 27% in some regions.

In past years it has become a widely recognized fact that those that are successful in addressing this issue stand to benefit considerably, both economically and socially. Both governments and private organizations realize that in order to draw on all of the best minds and talents available, they need to become more effective in bringing more women into leadership and decision making positions. Much has already been done to promote women's entrepreneurship both by governments, businesses, the civil society and international organizations. In recent years, the general attention to women and entrepreneurship in developing countries has also increased considerably.

However, despite this growing number of initiatives and resources made available, women still face comparatively more barriers and restrictions in owning and managing their business. A study by the International Finance Corporation found that women tend to concentrate on small, low-growth firms (women-owned businesses make up 32 to 39 percent of the very small segment of firms, 30 to 36 percent of small SMEs and 17 to 21 percent of medium-sized companies) and a disproportionate share of these fail to mature (they tend to receive lower levels of service than men for very small enterprises in most parts of the world).⁷

When talking about barriers faced by women-owned SMEs, existing research⁸ points both to causes endogenous to entrepreneurship in general (such as financing, regulatory approaches, administrative red tape, etc.) but also exogenous factors that are rather related to social and cultural norms and biases towards gender roles and the position of women in society.

Endogenous factors are mostly economic and technical in nature and refer to the fact that SMEs due to their size, are particularly constrained by non-competitive real exchange rates, limited access to finance, cumbersome bureaucratic procedures in setting up, operating and growing a business, poor state of infrastructure and lack of effective institutional structures.⁹

Exogenous factors stem from specific social and cultural settings and normative behaviour that

⁶ <https://www.imf.org/en/Publications/Publications-By-Author?author=Stefania%20%20Fabrizio>

⁷ https://www.ifc.org/wps/wcm/connect/a4774a004a3f66539f0f9f8969adcc27/G20_Women_Report.pdf?MOD=AJPERES

⁸ See a concise overview of existing literature on the topic in [Vossenbergh, Saskia \(2013\): Women Entrepreneurship Promotion in Developing Countries: What explains the gender gap in entrepreneurship and how to close it?](#)

⁹ <http://www.oecd.org/cfe/smes/31919278.pdf>

is often biased and may constraint the opportunities women can take. For example, because of the “traditionally female roles” in society and gendered division of labour, women might have less time available to devote to business (as they are the ones assuming most of the domestic tasks and rearing children), could have less control over their earnings (because of their lower intra-household bargaining position) and may physically be impeded to grow their business (because of restrictions on their mobility, being legally banned or customarily sheltered from traveling alone or talking to male counterparts).

Furthermore, despite recent increase in women’s enrolment in formal education at all levels, gender gaps persist in developing countries in business-specific soft skills like financial literacy, management skills and ICT literacy that is becoming indispensable for any business in the 21st century.¹⁰

In some instances these biased social and cultural norms are deeply entrenched in legal frameworks. For example, property is one of the basic elements that create incentive for investment and innovation. However in many instances there are gender gaps in rights to property, women not having the right to own land or property owned jointly by spouses being traditionally registered to the husband’s name alone. Such weak property rights immediately put women in disadvantage on credit markets.

These legal, social and cultural norms and biases associate higher risks with women-owned businesses which present barriers in their own, but also indirectly enhance the endogenous restrictions faced by all SMEs.

There is a pressing need for thorough understanding of the causes of the gender gap in entrepreneurship based on robust gender-disaggregated data and research that takes into account the extra-economic, normative context of entrepreneurship.

Policies designed to bridge the gender gap in entrepreneurship and address the barriers outlined above should be built on such research and consider a multi-layered framework and holistic approach that takes into account both economic, technical, socio-cultural, and governance factors.

Measures to foster the role of women as entrepreneurs should:

- Leverage the potential of ICTs to promote the empowerment of women
To this end, governments need to be well-informed about how the ICT ecosystem works in practice, the barriers to access and how challenges can be overcome. Policies on infrastructure, applications, services and user-engagement all have an important impact on the ICT ecosystem. Greater understanding of these issues can equip policymakers with a framework to identify appropriate policy approaches.
- Aim to create an enabling environment for investment and innovation;
The legal, policy and regulatory environments and approaches at national levels should promote investment in ICTs and infrastructure, and foster entrepreneurship and innovation. Such environments are marked by transparency, accountability and regulatory certainty. Transparency is achieved by providing stakeholders timely, accessible, and actionable information relevant to their rights and interests, while accountability is achieved through policies that make governments and regulators answerable to their actions and decisions. Furthermore, governments can improve regulatory certainty by adopting frameworks that are clear and transparent, and by enforcing these frameworks in a predictable, fair manner.

¹⁰ [Minniti, Maria \(2009\): *Gender Issues in Entrepreneurship*](#)

- Promote dialogue and partnerships between all stakeholders. Multistakeholder cooperation and engagement to bridge the gender digital divide is vital. With all relevant stakeholders consulted, governments will be better equipped to ensure an enabling policy environment for sustainable investment in ICTs, that provides the basic framework for the inclusion of women-owned SMEs as well as other marginalized groups.

Question 5: What are the gaps in addressing these challenges? How can they be addressed and what is the role of governments?

To address these varied challenges, business encourages and supports the various activities currently being undertaken (as detailed in point 1 above) which encourage multistakeholder collaboration to tackle issues and provide resources and policy options for stakeholders to overcome challenges.

To fully leverage ICTs for the empowerment of women and sustainable economic development, policy approaches must be consistent with the mutually supporting layers of the ICT ecosystem, spanning economic, technical, social, cultural, and governance issues.

The recommendations below provide examples of the types of policies that can help support an enabling environment for sustainable investment and ICT-enabled growth. These are grouped around the types of challenges identified in point 4 above, pertaining either to endogenous (economic and technical constraints SMEs face due to their size and market share) or exogenous (social and cultural norms and biases towards women) factors. Cross-cutting governance considerations are also presented to facilitate a holistic policy approach.

Policy considerations to address economic and technical constraints faced by SMEs in general

- **Investment:** Ensuring public policies that promote rather than deter investment in next generation broadband technologies to enable new bandwidth intensive and quality sensitive applications and services is important. Similarly, investment in high speed networks and ICT services can create a platform for economic growth, job creation, and greater competitiveness.
- **Infrastructure:** To ensure the full potential of ICT, investment in broadband infrastructure, access technologies, wireless devices and other related aspects of the ICT ecosystem still need to be incentivised.
- **Spectrum allocation:** There are considerable economic benefits of taking action to ensure that sufficient spectrum is available to support the increasing demands following current and expected data traffic trends. Effective and technologically neutral management of this increasingly scarce resource must be a priority for policy-makers while ensuring the integrity of services offered by existing spectrum license holders.
- **Cross border data flows:** All citizens and companies can realize the full potential of the Internet as a platform for innovation and economic growth through new technologies and the global movement of data that supports them. Establishing clear rules and enforcing roles and responsibilities in the data processing value chain are the keys to maintaining responsibility over compliance irrespective of locality. Certain compelling public policy issues, including privacy and security, are recognized as possible exceptions and may form a legitimate basis for governments to place some limits on data flows if they are implemented in a manner that is nondiscriminatory, is not arbitrary, is least trade restrictive, and not otherwise a disguised restriction on trade.
- **Data protection:** Governments should adopt policies to build trust by ensuring that users have practical mechanisms and appropriate control over how personal data is used. Companies should adopt recognised and applicable best practices to ensure that

personal data is appropriately secured as technology and services evolve. Governments should recognize that an accountability approach that drives self-regulation efforts may be both a more flexible and effective method of achieving data protection than government regulation. The most productive approach to ensuring robust privacy and security standards is voluntary compliance with broadly accepted industry guidelines.

Policy considerations to address normative social and cultural barriers faced by women:

- **Access:** Particular attention should be given to protecting women's rights to freedom from discrimination and exclusion and supporting their rights to political, economic, cultural and social participation.
- **ICT skills:** For populations to be able to use ICT in a meaningful way the development of literacy skills and training in ICT and related subjects is essential to harness the local development opportunities ICT brings.
- **Relevant content, resources and tools:** Policies are necessary to continue the support of capacity-building initiatives that seek to empower individuals and businesses locally to become content producers and develop business models that are unique and relevant to national economies.

Governance policy considerations to ensure a cross-cutting and holistic policy approach:

- **Interoperability:** Lack of interoperability across the policy and regulatory environment can create needless administrative burdens and compliance inconsistencies across jurisdictions, stifling the opportunities and progress that can be made. The adoption of existing principles such as the principles set forth in the Organisation for Economic Cooperation and Development (OECD) Privacy Guidelines, and Asia Pacific Economic Cooperation (APEC) Privacy Framework Principles ensure adequate data protection and consistent approaches between countries. The APEC Digital Prosperity Checklist is a useful tool to develop principle based and outcome driven policies.
- **Public-private partnerships:** Public-private partnerships are important to leverage existing industry standards and investments. This will help utilize both public and private resources to facilitate the research, leadership, and governance to advance the use of ICT for sustainable development.
- **Institutional capacity and cooperation:** Capacity-building remains critical to ensuring that institutions throughout the world are better able to collaborate to address developmental issues and share information. Greater efforts could be made through appropriate regional and global entities, such as the IGF, to help gather knowledge for capacity-building.

About the International Chamber of Commerce (ICC)

The International Chamber of Commerce (ICC) is the world's largest business organization with a network of over 6.5 million members in more than 130 countries. We work to promote international trade, responsible business conduct and a global approach to regulation through a unique mix of advocacy and standard setting activities—together with market-leading dispute resolution services. Our members include many of the world's largest companies, SMEs, business associations and local chambers of commerce.

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