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Note: This Executive Summary captures the main achievements, challenges and recommendations of the Action Line during the 10-year period of WSIS Implementation; this has been submitted by the Action Line Facilitator in response to the request by the participants of the Third WSIS+10 MPP meeting. The complete report on the 10-Year Implementation of the Action line was submitted to the Third WSIS+10 MPP meeting held on 17-18 February 2014 and is available at the following url: [www.itu.int/wsis/review/reports/#actionline](http://www.itu.int/wsis/review/reports/#actionline)

## 10-Year WSIS Action Line Facilitator's Reports on the Implementation of WSIS Outcomes

### WSIS Action Line – C7: E-business

Lead and co-facilitators: UNCTAD, ITC and UPU

#### *Executive Summary<sup>1</sup>*

##### **Action line C7-E-business as stated in the Geneva Plan of Action**

- a. *Governments, international organizations and the private sector, are encouraged to promote the benefits of international trade and the use of e-business, and promote the use of e-business models in developing countries and countries with economies in transition.*
- b. *Through the adoption of an enabling environment, and based on widely available Internet access, governments should seek to stimulate private sector investment, foster new applications, content development and public/private partnerships.*
- c. *Government policies should favour assistance to, and growth of SMMEs, in the ICT industry, as well as their entry into e-business, to stimulate economic growth and job creation as an element of a strategy for poverty reduction through wealth creation.*

<sup>1</sup> This summary is based on a 10-year review of progress made in the implementation of the e-business AL ([http://www.itu.int/wsis/review/inc/docs/ralreports/WSIS10\\_ALF\\_Reporting-C7\\_E-Business.pdf](http://www.itu.int/wsis/review/inc/docs/ralreports/WSIS10_ALF_Reporting-C7_E-Business.pdf)). It draws on 8 facilitation meetings, an open consultation in 2012-2013, and on the work programmes of the three co-facilitators. The actual implementation of the action line of course relies on the efforts of all stakeholders.

## **1. Key achievements since 2003**

- The adoption of e-business practices has grown rapidly. Computerization of business administration is now the norm in large and medium-sized businesses worldwide and in most businesses in high-income countries. In small businesses in most developing countries, however, the use of computers and the Internet remains limited.
- A growing number of enterprises now use the Internet to buy and sell products, but the potential of e-commerce is still far from fully exploited.
- Mobile phones have become the most commonly used ICT tool among micro and small enterprises in low-income countries. New mobile applications help to raise productivity and to reduce costs related to information search, communication and travel.
- The scope for making e-business more inclusive has been greatly enhanced. New, more user-friendly and affordable mobile applications are rapidly spreading in countries at all levels of development. Social networks are facilitating the development of e-business and e-commerce. New business opportunities have emerged, including in the mobile sector, in social outsourcing and with regard to freelance work.
- A large number of governments have developed and implemented national ICT strategies to boost their economic development. By making the environment more enabling, large-scale investment has been attracted in telecoms infrastructure, especially in mobile networks.
- Online payment systems, e-banking, e-procurement portals and government support dedicated to e-business have been developed.
- Many new innovations have entered the market - from mobile apps to cloud computing.

## **2. Challenges**

- The evolving digital divide remains a concern. The gap in access to basic telephone services has shrunk significantly but the gap in access to the Internet and, particularly, to high-quality broadband has widened. This influences the extent to which individuals, businesses, economies and societies are able to take advantage of new ICT innovations and applications.
- Rural access to affordable telecommunications is still inadequate in many developing countries.
- Many small and micro-enterprises are not effectively using ICT tools.
- The potential of e-commerce is far from fully exploited, especially in developing countries.
- Cost-effective transportation and logistics to move goods across borders remains a hurdle for cross-border e-commerce, especially for consumer purchases.
- Lack of awareness/confidence among customers in the North of online suppliers in the South.
- Too few developing countries have emerged as competitive suppliers of ICT goods and services.
- The ICT dimension is inadequately reflected in private sector development strategies.
- Some Governments need to adopt and enforce adequate legal frameworks to unleash the full potential of electronic transactions, and to address issues related to cloud computing.
- E-business and e-commerce statistics are missing in most developing countries, hampering the ability of governments to formulate and monitor related policies and strategies.

## **3. Recommendations**

- The e-business dimension remains highly relevant for WSIS-related work beyond 2015. Firstly, a vibrant ICT sector underpins productive use of ICTs and stimulates sustainable growth, job

creation, trade and innovation as part of strategies for sustainable development. Secondly, in a globalizing world economy, affordable access to ICTs and adequate skills are of growing importance for enterprises to connect with value chains and to compete. Thus, governments and other stakeholders should facilitate and encourage both an effective use of the technologies by enterprises in all sectors and a thriving ICT producing sector in itself.

- The extent to which enterprises are able to benefit from e-business varies. Special efforts are needed to involve women entrepreneurs and micro and small firms, notably in rural areas.
- Policymaking needs to reflect the diverse requirements of enterprises of different size, in different sectors and with varying capacity and capabilities. This calls for effective partnership between stakeholders with complementary knowledge and experience.
- The identification of well-defined targets related to the action line on e-business should be included in any action plans for WSIS implementation beyond 2015.
- Enhance access to reliable authentication processes that include developing countries.
- To reap full benefit from e-business it will be important to: a) further improve the ICT infrastructure; b) develop relevant education and skills; c) enhance the awareness of e-business opportunities; d) build capacity in skills needed for cross-border online business and e) put adequate regulatory and legal frameworks in place.
- Key steps to make e-business implementation more effective include to: a) engage users, local and global ecosystem players in innovation processes from the stages of design and testing; b) allow grass-roots practitioners and thought leaders to influence macro-level discussions; c) adopt regulations consistent with the cross-border nature of e-commerce; d) bring down the cost of shipping and delivery; and e) develop better data on e-commerce and e-business.