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**IMPLEMENTING THE WSIS PLAN OF ACTION:
ISSUES FOR TRADE AND DEVELOPMENT**

16 June 2004 – Summary prepared by the UNCTAD secretariat

1. At the World Summit on the Information Society (WSIS) held in Geneva in December 2003, member States agreed on a Plan of Action, which includes a comprehensive list of “action lines” to be implemented by various stakeholders (Governments, the international community, the business sector and civil society). These action lines cover all aspects of the information society, ranging from economic, legal, health and education matters to media, culture and the environment. The event in São Paulo addressed those issues relevant for trade and development, which should be acted upon between now and the next phase of the Summit to take place in Tunisia in November 2005. The sessions benefited from a lively exchange among participants from government, the business sector, civil society and international organizations.

2. The Plan of Action considers the implementation of national e-strategies to be one of the key areas for policy action to advance the information society in developing countries. It also calls for action to promote development-oriented ICT applications for all, in particular the use of ICT by SMEs to foster innovation, realize gains in productivity, reduce transaction costs and combat poverty. The first session of the event therefore discussed policies to promote e-business and international trade in developing countries. Crucial to this is the creation of an ICT-enabling environment at the national and international levels.

3. Policies to foster the adoption of ICT by the business sector are key elements in national e-strategy programmes. To ensure universal access to ICTs is necessary for bridging the global and national divide. In many developing countries, there is still a need for a business model to ensure the provision of sustainable telecommunication services. Although some countries have started to put in place legal and regulatory frameworks for e-commerce, these have not been sufficient to generate an environment of trust among businesses and consumers.

4. Participants in the session agreed that all stakeholders need to be involved on a permanent basis in the process of ICT policy-making and implementation.

5. A number of suggestions were made about what concrete action the United Nations ICT Task Force and UNCTAD could propose together, as a follow-up to the WSIS Plan of Action and based on the expertise of both bodies. For example, the ICT Task Force has approached the ICT for

development agenda through a multi-stakeholder model covering a broad area of subject matters. UNCTAD has built expertise on specific e-commerce and e-business issues, the impact on SME competitiveness, or free and open source software. A joint framework on how to enhance e-business for SME competitiveness could result in concrete guidelines to assist developing countries in their efforts to foster ICT adoption by the enterprise sector.

6. The spread of ICTs has made possible global outsourcing of IT and other services, which is growing in many developing countries. This trend will continue over the next 10 years, creating new business, employment and export opportunities.

7. SMEs are particularly challenged in the use of ICT for business development. While most of them are connected to the Internet and e-mail, when it comes to web presence and the use of the Internet for online transactions, they are much less active. For SMEs to invest in ICTs, they need to clearly see the commercial advantage; in other words, e-business has to translate into increased profitability. Important to SMEs are access to finance to invest in ICTs, and the possibility of using online payment facilities. While this has been the objective of government banks in some countries (e.g. Costa Rica), in many others SMEs still lack access to e-finance and e-payment systems.

8. The WSIS Plan of Action makes a number of suggestions concerning the development of statistical indicators for benchmarking and performance evaluation, to follow up the implementation of the objectives, goals and targets of the Plan of Action and to track global progress in the use of ICTs. Priority should be given to setting up coherent and internationally comparable indicator systems, taking into account different levels of development. The second session of the event therefore considered the need for statistical measurement for policy-making and for monitoring and benchmarking ICT development, including as they contribute to the achievement of the MDGs.

9. Reliable data on ICT readiness, usage and impact are crucial for policy makers in their design and evaluation of information society programmes. While some developing countries have started to collect ICT indicators through their official statistical systems, the data are not always comparable across countries, or with those of developed countries. This calls for collective action at the international level to coordinate the methodological work and to work towards a global database on ICT indicators.

10. To that end, a partnership among international agencies involved in the collection of ICT data and indicators has been created. It provides a framework for coordinating ongoing and future activities, and for developing a coherent and structured approach to advancing the development of ICT indicators globally, and in particular in the developing countries. It particularly aims at assisting developing countries in their efforts to produce information society statistics. This is expected to result in an expansion of ICT statistics harmonized internationally, providing a key input to future policy and analytical work on the information society, including the digital divide.

11. The UN ICT Task Force has formed a Working Party on ICT Indicators and MDG Mapping, chaired by Canada, which aims at mapping the MDGs and targets to ICT indicators. The working party's work will focus on two main tracks: (i) ICT indicators development and adoption, and (ii) impact measurement and monitoring. A road map for the work of the Task Force was presented at the session, up to the second phase of the WSIS in Tunis in 2005. A key element of the working party's work will be to define, in cooperation with the other partners, a set of core ICT indicators and to support the development of a global ICT indicators database.
