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**Submissions from entities in the United Nations system and elsewhere on their efforts in  
2010 to implement the outcome of the WSIS**

Submission by

**UNCTAD**

This submission was prepared as an input to the report of the UN Secretary-General on "Progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society at the regional and international levels" (to the 14<sup>th</sup> session of the CSTD), in response to the request by the Economic and Social Council, in its resolution 2006/46, to the UN Secretary-General to inform the Commission on Science and Technology for Development on the implementation of the outcomes of the WSIS as part of his annual reporting to the Commission.

**DISCLAIMER:** The views presented here are the contributors' and do not necessarily reflect the views and position of the United Nations or the United Nations Conference on Trade and Development.

**UNCTAD input  
to the annual report of the Secretary-General  
to the CSTD on the implementation of WSIS outcomes**

*Note:* UNCTAD is lead facilitator of action line C7 (ICT applications on e-business) and co-facilitator of action lines C4 (capacity building), C6 (enabling environment) and C7 (e-science). This input refers to action line C7 on e-business.

**1. EXECUTIVE SUMMARY**

Recent progress on the action line C7 on e-business has included increased awareness and international profile of the issues, including through the organization of high-level events such as the WSIS Forum and hands-on activities such as capacity building. Research and analysis on e-business has received a boost through increased multi-stakeholder contributions, including from the academic community, as evidenced by the augmented exposure of UNCTAD's *Information Economy Report 2010*. An important obstacle to monitoring progress in the area of C7-e-business implementation has been the lack of a clearly defined target within the WSIS outcome documents. Aspects of collaboration between co-facilitators and the inclusion of multiple stakeholders can also be further enhanced in order to accelerate progress towards facilitating e-business in the years leading up to 2015.

**2. ANALYTICAL OVERVIEW**

**A. Achievements**

UNCTAD's research and analysis on e-business has its main outlet in the annual *Information Economy Report (IER)*, which is one of few publications that monitor global trends in ICTs as they affect the economic development of developing countries. The IER is fed by interaction with a wide range of stakeholders through expert meetings, seminars, calls for contributions, and the *WSIS Forum*. Contributing stakeholders include academics, donors, developing country governments, the private sector and non-governmental organizations. National delegates in Geneva are briefed on the results of the IER. The IER contributes to the implementation of C7 through analysis and policy recommendations directed to developing country governments, but also to development partners and other stakeholders in the information economy. In 2010, the report identified new opportunities to use ICTs in enterprises for poverty alleviation, highlighting concrete examples such as micro-entrepreneurs empowered by mobile phones in least developed countries, and noting cases of ICT for poverty reduction projects implemented through public-private partnerships. It also recommended that Poverty Reduction Strategy Papers have a stronger ICT and enterprise link.

Meetings and conferences have been an effective way of raising and focusing awareness among all relevant stakeholders. In particular, annual action line facilitation meetings were held during the *WSIS Forum 2010*, which UNCTAD co-organized with ITU and UNESCO. In 2010, UNCTAD, ITC and FAO (lead facilitator of action line C7- e-agriculture) held a session on ICTs and rural enterprise. Also, an UNCTAD session at the ICTD 2010 (London, December 2010) helped to gather fresh ideas on ICT for development from the academic community, which is a group of stakeholders that has much to offer in terms of pioneering applied research in this area. At this conference, UNCTAD also contributed to a session organized by FAO on e-agriculture.

Through capacity-building in the area of ICT and law reform, UNCTAD in 2010 supported the creation of cyber-legislation and an enabling environment for e-business. In particular, it facilitated the regional harmonization of cyberlaws, with projects in Africa, Asia and Latin America that included training, workshops and comparative law studies.

The development of ICT statistics has also been crucial in the efforts to monitor the progress in action line C7 e-business. ICT statistics are increasingly included in the production schedule of the official statistical system. UNCTAD is actively supporting member States' efforts to improve the availability of ICT statistics, especially with regard to ICT use by the business sector and to the ICT sector itself. In most developing countries, there is still a serious lack of reliable data in these areas. UNCTAD's *Manual for the Production of Statistics on the Information Economy* serves as a basis for regional training courses, which are often delivered in collaboration with members of the *Partnership on Measuring ICT for Development*.

The inclusion of multiple stakeholders in the development of ICT statistics has also been a major achievement. The *Partnership* remains an excellent example of interagency collaboration, and the development of indicators and methodological discussions have involved national experts and other organizations. Most recently, an international seminar on ICT statistics (Seoul, July 2010) organized by UNCTAD, ITU, the United Nations Statistics Division (UNSD) and the Statistical Office of the Republic of Korea (KOSTAT), in cooperation with the *Partnership*, gathered 161 participants from more than 55 economies, and 8 regional and international organizations. They were actors in the production and analysis of official ICT statistics for policy making -national statistical offices, ministry officials, and other organizations -and discussed new developments, trends and challenges in ICT statistics.<sup>1</sup> One session was devoted to measuring the information economy.

## **B. Obstacles**

### *i. Lack of well defined targets*

One of the challenges faced in facilitating the action line on e-business has been the lack of well defined targets. In fact, although vital to the development of the information society, the use of ICT in the enterprise sector is not covered anywhere among the WSIS targets as set out in the Geneva Plan of Action.

### *ii. Progress assessment*

Another challenge relates to the facilitation process itself. Whereas the “primary goal of each multi-stakeholder team is implementation of the WSIS Plan of Action at the international level” and a “secondary objective is information-sharing and promotion of WSIS goals”, the terms of reference related to the modalities of coordination among co-facilitators in combination with para. 16 of the Geneva Plan of Action are not specific enough to facilitate an adequate progress assessment.

### *iii. Limited collaboration among the co-facilitators in between the annual meetings*

During the period 2006-2010, UNCTAD has organized ALF meetings each year, in collaboration with other co-facilitators. In some instances, joint meetings have also been organized with other international organizations on topics of relevance to action line C7, such as the use of ICTs to promote growth and the development of indicators on the use of ICT by

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<sup>1</sup> See the report at [http://unstats.un.org/unsd/economic\\_stat/ICT-Korea/Documents/3\\_final\\_report.pdf](http://unstats.un.org/unsd/economic_stat/ICT-Korea/Documents/3_final_report.pdf).

enterprises. However, with the exception of the work related to the *Partnership*, there has been relatively limited collaboration among the co-facilitators in between the annual meetings. Furthermore, there are no clear coordination mechanisms. It should be noted that the International Labour Organization (ILO) has in effect retreated as co-facilitator of this action line.

*iv. Lack of dedicated resources*

Lack of dedicated resources is also an obstacle to the facilitation of action lines. In particular, financial constraints have made it difficult to enable the participation of representatives of civil society, especially grass root organizations, in international meetings and conferences.

### **3. INNOVATIVE POLICIES, PROGRAMMES AND PROJECTS**

*i. Online database on information economy statistics*

In 2010, the first tables on the core ICT indicators related to the information economy were published in the UNCTAD Statistical Portal (UNCTADstat).<sup>2</sup> UNCTADstat is a publicly accessible database consisting of all UNCTAD's online statistical databases. The tables contain the latest available data on the ICT Sector core indicators (ICT1 and ICT2), and international trade in ICT goods (ICT3 and ICT4), i.e.:

- ICT1: Proportion of total business sector workforce involved in the ICT sector (expressed as a percentage)
- ICT2: ICT sector share of gross value added (expressed as a percentage of total business sector gross value added).
- ICT3: ICT goods imports as a percentage of total imports
- ICT4: ICT goods exports as a percentage of total exports

Indicators related to ICT use in enterprises are to follow in 2011.

*ii. Measuring ICT impacts*

The measurement of ICT impacts is necessary to help assess and set priorities for ICT policies. ICTs are powerful tools to enhance productivity and growth when combined with complementary assets, such as R&D and ICT skills, but the measurement of their impact in developing countries is just beginning. Better statistics – micro-data and indicators of ICT use – are needed to analyze correctly the impact of ICTs, including the spillover effects into non-ICT economic sectors and how ICTs help accelerate the diffusion of knowledge.

The CSTD Inter-session panel in December 2010 discussed the measurement of the impact of ICT for development as a priority theme, supported by an issues paper<sup>3</sup>, and the findings and recommendations will be considered at the Commission's 14th session. Furthermore, the *Partnership* has a task group on measuring ICT impact that is discussing methodologies for impact measurement and disseminating Partners' work on this issue.

*iii. Use of ICT in capacity building*

Developing country governments require capacity building in order to facilitate or implement e-business initiatives. As a capacity building tool, ICTs significantly expand the reach of technical assistance by international organizations. An UNCTAD distance learning course on the legal aspects of e-commerce was held in November 2010 for Latin American countries,

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<sup>2</sup> See <http://unctadstat.unctad.org/>

<sup>3</sup> See [http://www.unctad.org/sections/un\\_cstd/docs/cstd2010d04\\_en.pdf](http://www.unctad.org/sections/un_cstd/docs/cstd2010d04_en.pdf)

with the support of the Government of Spain, supporting the development of national legal frameworks for ICT and e-commerce. The distance learning tool enabled UNCTAD to train 210 officials from 19 different countries in four weeks. There are plans to also adapt the training course on measuring the information economy into a distance learning course.

#### **4. FUTURE ACTIONS OR INITIATIVES**

##### *i. Definition of an e-business target*

As part of the work of the Task Group on WSIS Targets of the *Partnership*, UNCTAD has supported a suggestion made by the ITU in its *World Telecommunication/ICT Development Report* of creating a new target on connecting all businesses to ICTs, using indicators on ICT use in business collected by UNCTAD.

##### *ii. New and revised ICT indicators*

Recent and emerging areas related to ICT measurement include ICT in education, e-government, e-health, online security, green ICTs and e-waste, among others. The rapid adoption of mobile telephony in developing countries and technological convergence are also changing the way in which developing country enterprises access and use ICT. The measurement of progress in the information society will need to evolve in order to adequately reflect these changes, including through the development of new ICT indicators, and the revision of existing ones. For example, indicators on the use of mobile phones by businesses might be added to the *Partnership's* list of core indicators. Members of the *Partnership* plan to lead this ongoing work in their areas of competence, including UNCTAD with respect to ICT use by enterprises, to the ICT sector, and to international trade in ICT goods and services.

##### *iii. E-business platform for facilitation*

ICTs could also be further leveraged as tools for action line implementation. For example, an online platform could facilitate collaboration between C7 co-facilitators beyond the annual action line facilitation meetings, and allow stakeholders worldwide to interact on e-business issues. Such a platform could serve to exchange information and resources related to e-business. Social media can also be explored as another way to increase communication between stakeholders. A similar platform has been put in place for e-agriculture.<sup>4</sup> UNCTAD intends to contact co-facilitators of the action line during 2011 to explore possibilities for collaboration on such a project.

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<sup>4</sup> See <http://www.e-agriculture.org/>