COMMISSION ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (CSTD)

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# Submissions from entities in the United Nations system and elsewhere on their efforts in 2014 to implement the outcome of the WSIS

# **Submission by**

United Nations Conference on Technology and Development (UNCTAD) & Information and Communications Technologies (ITC)

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 18<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 and ITC inputs to the annual report of the Secretary-General to the CSTD on the implementation of WSIS outcomes during 2014

# Action Line C7 (e-business)

#### 1. EXECUTIVE SUMMARY

Activities during 2014 related to action line C7 (e-business) aimed at increasing awareness, expanding the use of ICT-enabled market analysis tools and enhancing the international profile of relevant issues. UNCTAD, ITC and UPU jointly contributed to the WSIS+10 High-Level Event and to the preparatory process.

#### 2. ANALYTICAL OVERVIEW

#### A. Achievements

Research and analysis, focus group discussions and close collaboration with the International Labour Organization (ILO) resulted in the report entitled *Empowering Women Entrepreneurs through Information and Communications Technologies: A Practical Guide* in April 2014. It integrated – for the first time – the ICT dimension into ILO's framework for assessing women entrepreneurship development policies. The framework has been piloted in 4 African countries (Kenya, Morocco, Tanzania and Uganda). The Asian Development Bank also used parts of the framework in selected transition economies. The project served to raise awareness about the potential role ICTs can play in strengthening women's entrepreneurship. It was highlighted by UN Radio in two stories as well as by the WSIS Forum in a video. The project has been included as a best practice case in a report from the Broadband Commission on Gender and the Guide among the top 100 reports on gender.

As part of a project to improve the availability of gender-related ICT data, UNCTAD together with the Partnership on Measuring ICT for Development published a first report on assessing the availability of such data. The report takes stock of existing ICT indicators disaggregated by sex, assesses data availability, including in developing countries, and identifies main gaps based on an evaluation of needs and demand for such indicators. It also identifies areas where sex-disaggregated data are desirable, and where further methodological work is needed to develop relevant indicators. The final goal of the project is to identify and document differential access to, use of and impact of ICT by sex in order to inform national policy and set international policy goals.

Meetings and conferences represent an important way of raising and focusing awareness among relevant stakeholders. ITC, UNCTAD and UPU jointly organized an action line facilitation meeting on e-business during the WSIS+10 High Level Event in June 2014. The meeting focused on identifying priorities for the e-business (C7) action line beyond 2015 such that e-business can become more inclusive and sustainable. The meeting drew on inputs received during the open consultations for the WSIS+10 High-Level Event. Main areas highlighted during the meeting were: mobile money as an enabler of financial inclusion, requirements for the interoperability of mobile financial systems, strengthening the legal and regulatory framework for e-business, the importance of engaging all

stakeholders, the need to assess social and economic impact of e-business and the need for comparable statistics on e-business.

As part of its fiftieth anniversary celebrations in Geneva, UNCTAD held a special event entitled "Cutting the costs of remittances: The role of mobile money" on 20 June 2014, to discuss how to make international remittance flows as affordable and inclusive as possible, including by leveraging mobile money and online transfer mechanisms. Reducing the costs of remittances could enhance financial inclusion in developing countries and is a widely-recognized development goal. This is especially relevant in the context of the post-2015 development agenda. The meeting recalled the commitment by G-20 to reduce the cost of remittances to 5 per cent. Experts from international organizations and private sector concluded that partnerships were fundamental to enable mobile technology to contribute to cheaper remittances and maximize their development impact, and that this collaboration can be facilitated by regulation.

With the view to improving the availability of data on the ICT sector in developing countries, UNCTAD, GIZ and the World Information Technology and Services Alliance (WITSA) jointly worked on a project to develop a common set of indicators and a common questionnaire that national IT/Software associations could use to collect data. The work is still in progress.

In the area of ICT and law reform, UNCTAD (with funds from the Government of Finland) continued to build capacity aimed at supporting the creation of cyber-legislation and a more enabling environment for electronic and mobile commerce. For example, as part of an UNCTAD project supported by the ECOWAS Commission and the African Union Commission to ensure the implementation at national level of regional legal frameworks on electronic transactions, data protection and cybercrime, four workshops (including two distance learning training courses) were organized with the participation of fifteen ECOWAS countries. Moreover, a regional workshop was organized in Ecuador following the online delivery of a training course on the Legal Aspects of E-Commerce which reached 300 participants in the region in June 2014. Twenty countries were represented in the face-to-face workshop.

Two studies on the cyberlaw harmonization process in ECOWAS and in Latin America will be published in 2015 as a result of these activities. The studies will take stock of the state of e-commerce laws in the two regions and provide recommendation to accelerate this process.

UNCTAD continued to actively support 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. UNCTAD undertook a number of training and capacity building activities. Such activities are based primarily on the organization's *Manual for the Production of Statistics on the Information Economy*, which was translated into Russian. A regional training workshop was organized for Russian speaking countries in Almaty, Kazakhstan. A national workshop in Ethiopia brought together officials from the Ministry of Communication and Information Technology and from the national statistical office to build their capacities and kick-start collaboration to produce policy-relevant information economy statistics.

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<sup>&</sup>lt;sup>1</sup> http://unctad.org/en/pages/MeetingDetails.aspx?meetingid=558

Together with the ITU, UNCTAD led the work of the Partnership on Measuring ICT for Development to enhance the availability of gender-disaggregated ICT indicators and data. In 2014, work continued on developing better measurement of international trade in ICT services and in ICT-enabled services. The work involves close interaction with the Interagency Task Force on Statistics of International Trade in Services (see also below).

ITC commenced the implementation of a number of innovative ICT solutions toward farmers in Fiji, building on similar work in Kenya in late 2013 and early 2014. These solutions are provided in part by a private sector association, the Fiji Crop and Livestock Council (FCLC) and in part by the Fijian Government, through its Ministry of Agriculture. The first pillar, located at FCLC, is centred on a simplified and custom-made Customer Relationship Management (CRM) tool. A number of mobile-based services are delivered through this CRM platform, for FCLC 3,200 members' benefit, including "Agritips" on specific topics and "mAlerts" on, for example, Tikina, crop interests, land size and harvest time. Moreover, "mPolling" is an SMS surveying tool to ask large numbers of people about their needs, so as to align corresponding support. Finally, "FijiMakete" is a mediated business matching service for buying or selling commodities. The second pillar is owned by the Ministry of Agriculture and has modernized price data collection on key markets of the main island. It is composed of "mCollect", a smartphone application tailored to price collectors' needs, and "mPrices", the corresponding price dissemination tool, which uses SMS.

#### **B.** Obstacles

See 2012 report.

## 3. INNOVATIVE POLICIES, PROGRAMMES AND PROJECTS

• Development of new indicators and data to measure trade in ICT services and ICT-enabled services

With the financial support of the Government of Sweden, UNCTAD prepared a report on a proposed set of statistical indicators for measuring trade in ICT services and ICT-enabled services. Both measurement areas lacked internationally-accepted definitions and measurement standards and methodologies. In collaboration with the Partnership on Measuring ICT for Development, as well as with other organizations such as the World Trade Organization (WTO) and the United Nations Statistics Division (UNSD), the report builds on existing measurement frameworks, current definitions and data collections, and provides a comprehensive review of services activities using several international classifications. The project was developed in response to demand from countries to enhance availability of official statistics in an area that is generating significant new opportunities for developing countries to participate in knowledge-intensive segments of global value chains.

• Development of global database on cyberlegislation.

UNCTAD developed a new global database with existing laws in the areas of e-transactions, cybercrime, data protection and consumer protection. The mapping of these laws highlights progress

made and remaining gaps at the global level. The mapping was to be featured in the *Information Economy Report 2015: Unlocking the Potential of E-Commerce for Developing Countries*, to be launched in March 2015. The mapping leveraged UNCTAD's activities in Africa, Asia, Latin America and the Caribbean, as well as contributions from other relevant organizations, such as the ITU, UNODC, UNCITRAL and ESCWA. The data will serve as a valuable resource for further research on the implementation and enforcement of relevant laws and on facilitating cross-border e-commerce.

## Overcoming barriers to trading on virtual market places

ITC implemented a prototype for an e commerce platform ("e mall") in Côte d'Ivoire, beginning with vendors of fashion and decorative items, enabling small enterprises to sell online for the first time. The principle barriers to sell in Europe were overcome by the integration of an online payments solution, logistics processes, fiscal representation to cover duties and taxes, and an e commerce fulfillment center in Europe. The platform is also linked to other, bigger market places such as eBay and the social media channel, Facebook, allowing SMEs to manage listings and logistics on many sites, all from one place.

In a joint project with the World Bank, ITC is coaching SMEs across Tunisia, Morocco and Jordan on how to promote their products on existing virtual market places and overcome barriers to trade. Coaches have been trained and will continue to accompany 600 SMEs over the next two years.

ITC is currently studying additional applications of this approach, including setting up platforms for marketing and selling services and B2B products.

#### 4. FUTURE ACTIONS OR INITIATIVES

ITC intends to continue the deployment of its advisory services to groups of SMEs in developing countries, including LDCs, assisting Trade Support Institutions and other local partners to solve the challenges for local business to conduct business internationally, online. Partnership discussions are underway with private sector companies in the support of this initiative.