APEC's Contribution to WSISII

From APII to APIS
(Rev. 1)

I.   Background

Following the *APEC's Contribution to the WSIS* (WSIS/PC-3/CONTR/137-E) for the first phase of the World Summit on the Information Society (WSIS), Ministers at the Sixteenth APEC Ministerial Meeting in Santiago, Chile, November 2004, agreed that: "*Ministers recognize the importance of the second phase of the World Summit on the Information Society (WSIS), to be held in Tunisia in November of 2005, for continuous development of the global information society, and instructed Senior Officials, through the TEL, and other relevant fora, to formulate APEC's input to the WSIS.*"

Also agreed at the first APEC Senior Officials' Meeting held in Seoul 2005, it has been decided that: "*Upon the proposal by the SOM Chair, SOM instructed the Telecommunications and Information Working Group (TEL) to prepare APEC's contribution to the World Summit on the Information Society (WSIS) this year for consideration at SOM II.* "

In response, APEC has prepared this document to contribute to the WSISII process with the aim at sharing best practices and achievements toward building the information society in the Asia Pacific region, through the APEC working method – the strength of APEC.

II.   APEC's Commitment to the Information Society: APII to APIS

The Asia Pacific Information Society (APIS) is the society to be realized by the APEC's work toward the development of the Asia-Pacific Information Infrastructure (APII). Activities conducted by APEC regarding information and communications are aimed at establishing the APIS, which is the society - ubiquitous network society - where digital divide issues have been resolved by information and communication infrastructure developed throughout the APEC region and, regardless of time and location, that everyone can create, disseminate, access, and utilize variety of information. Creation of new services and added value is greatly expected by the realization of APIS.

In line with this, the APII initiative has been launched in APEC in order to improve access to and use of ICTs. APII is the essential information and communication infrastructure for the establishment of expanding the information society in the Asia-Pacific region, and the APEC Telecommunications and Information Working Group (TEL) has been working vigorously under the following instructions from Leaders and Ministers toward the development of the APII toward the APIS:

   a.   Ministers committed themselves to strengthen cooperation and endorsed five objectives and ten core principles in the Seoul Declaration at TELMIN1 (1995) for the construction and expansion of the APII;

b. Ministers confirmed that APII has developed from the conceptual stage to the implementation stage in the Gold Coast Declaration at TELMIN2 (1996) and endorsed Program of Action concerning the development of APII and APII cooperative activities and pilot projects;

c. In the Vancouver Declaration (1997), Leaders recognized the importance of telecommunications and information technology in building an Asia Pacific Information Society (APIS), and agreed that the APII is an essential basis for ensuring the competitiveness of the region in the 21st century;

d. Ministers committed themselves in the Singapore Declaration at TELMIN3 (1998) to accelerate efforts to bring the APII from vision to reality by implementing a broad range of practical projects and applications and by harmonising policy measures to advance the development of the APIS, which in turn, will contribute to creating the evolving Global Information Society (GIS);

e. In the Program of Action of Cancun Declaration at TELMIN4 (2000), Ministers noted that the APII underpins the APIS and, given the different stages of development in most APEC economies, directed the TEL to promote collaboration with the business/private sector to expand their participation in infrastructure investment to upgrade access to networks, especially in rural and under-served areas, to explore refinement of universal access policies, and to encourage competition in the extension of networks;

f. Ministers reaffirmed their commitment in the Shanghai Declaration at TELMIN5 (2002) to the five objectives and ten core principles in the Seoul Declaration endorsed at TELMIN 1 (1995) as essential for the construction and expansion of the APII and the realization of the vision of the APIS.

III. Best Practices

1. APEC Working Method

The success of APEC's work stems from its practical and cooperative approach to addressing issues and challenges, as well as the voluntary and non-binding way economies from a diverse constituency of governments, industry, academia and consumer groups, participate in activities. APEC explicitly recognizes the different levels of development of member economies, as shown by its Committee on Trade and Investment (liberalization) and Economic and Technical Cooperation activities. These two are intertwined and or equal importance – recognizing there is little possibility of mutual development without capacity building.

APEC has been most successful through collaboration and sharing of best practices, all aiming at tangible goals and practical solutions. This is the strength of APEC's working method where member economies work together on areas where there is a good level of agreement regardless of the developmental stages.

APEC has worked through a number of sub-fora, which industry and academia, and in conjunction with other international and regional organizations to understand and develop appropriate policy frameworks to achieve sustained economic growth and societal development. APEC activities promote best practices, information exchange and collaborative cross-border projects in ICT.

Given that WSIS is also a process without a treaty or force, there is much that APEC can offer from its experiences.

2. APEC's Achievements

In the WSIS Geneva Declaration of Principles and Plan of Action, the provision of ubiquitous access to ICT and provision of benefits to everyone from the opportunities that ICT can offer, are regarded as two of the key principles

At TELMIN3 it has been specified that APIS contributes to the creation of the GIS. This concept is common with the goal of WSIS to establish the information society that its Declaration and Program of Action aim at building. In order to achieve these principles as early as possible, various activities are conducted and APEC's activities to date, in particular, the *Status Report on TEL Digital Divide Activities* and the *Key Elements in Broadband Development for APEC*, will add value to the work of WSIS.

2.1 <u>Status Report on TEL Digital Divide Activities</u>

In the May 2000 Cancun Declaration, Ministers of Information and Communications Industries urged and challenged the TEL to bridge the digital divide. This direction was expanded upon in November 2000 when the Leaders' Declaration of Brunei Darussalam highlighted the importance of the information revolution to the global economy and called for a tripling of Internet access in the APEC region by 2005.

In response, the TEL: 1) developed a *Digital Divide Blueprint for Action*, which was endorsed at TEL 25; 2) initiated the ongoing gathering of statistics on Internet access to gauge progress on the Leaders' challenges; 3) conducted an internal stocktake in 2001 on policies employed by TEL member economies to bridge the divide; 4) performed an external stocktake of digital divide related activities in other fora; and 5) held three workshops in 2001 and 2002 to address the policies for bridging the divide and the skills shortage.

Subsequently, a great number of activities and projects, such as workshops, training programs, technical assistance, information exchange, etc., covering a wide range of policy dimensions and issues have been developed and implemented by the TEL.

By means of a 2001 internal stocktake on policies employed by member economies to bridge the digital divide, the TEL identified key attributes of successful policies which include:

a. **Leadership –** often at economy level but also including local and regional initiatives to create a vision and institutions/structures to address the issues.

b. **Partnerships –** including business, education and social institutions, and government.

c. **Policy Coherence –** to ensure that all policies are working together to create the desired economic and social environment.

d. **Market Focus –** among others, to develop demand that can justify investment required.

e. **Sustainability –** to ensure continuation of the services beyond the seed money stage.

f. **Scalability –** to ensure that a program or an initiative can be replicated throughout under-served areas.

Furthermore, through the three TEL Digital Divide workshops conducted in 2001 and 2002, the TEL also identified three main policy issues central to bridging the divide:

a. **Access:** Lower prices for access increase Internet uptake by consumers. Competition and liberalization are essential policies to lower the price of access and stimulate supply of products and services to fit the variety of needs of users. Underserved areas can be served through a combination of technology deployment, supportive policy environments, and programs directed at the needs of underserved population.

b. **Infrastructure:** An overall positive economic environment is essential to the expansion and build-out of the infrastructure to support the Internet.

c. **Human Capacity Development:** Availability of skilled workers is a major concern for all economies. There is no single solution to this problem and any solution will require industry to be a partner.

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2.2 <u>Key Elements in Broadband Development for APEC</u>

Since TELMIN 3 in 1998, Ministers have called upon the TEL to explore the development of broadband information infrastructures, stressing the need to extend broadband capabilities to rural and underserved areas. At TELMIN 5 in 2002, Ministers underscored the need to focus on broadband technology and its implications for economic growth. Noting the *e-APEC Strategy* and the TEL *Digital Divide Blueprint for Action,* Ministers also tied the TEL's broadband efforts to the Ministers and Leaders call to resolve Digital Divide issues of universal access to ICTs.

And in response to the TELMIN 5 guidance, the TEL has executed a number of broadband related activities including workshops, steering group presentations and discussions, and test bed/pilot projects.

APEC Economies include some of the world's leaders in broadband deployment. In achieving this leadership, these economies have utilized various approaches to address issues of deployment, access, uptake and applications, as well as the key question of what is the appropriate role for government. And have agreed on that in order to meet the Bogor and Brunei Goals and other benchmarks for timely development set by Leaders, economies are encouraged to develop and implement domestic broadband policies that maximize access and usage; facilitate continued competition and liberalization; foster the enabling regulatory frameworks; and build confidence in the use of broadband networks and services.

IV.   APEC Response to the WSIS Plan of Action

The first World Summit on the Information Society (WSIS) held in Geneva in December 2003 adopted a Plan of Action setting out 11 Action Lines. These Action Lines are consistent with the eAPEC Strategy adopted by APEC Leaders in 2001. The eAPEC Strategy guides the activities of individual economies and the various APEC groups in developing the Asia Pacific Information Society (APIS). Consideration of the benefits of information and communications technology is an integral factor in their deliberations.

Two groups, the Telecommunications and Information Working Group (TEL) and the Electronic Commerce Steering Group (ECSG), address the framework for the development of the APIS and the implementation of the WSIS Action Lines. APEC has made sound progress relative to the Geneva Plan of Action in the 18 months since the Geneva Summit.

The APEC response to the specific Action Lines is set out below. It should be noted that all APEC projects are required to include a gender impact assessment. This ensures that projects address women's participation in the Information Society.

<u>Action Line 1. The Role of Governments and All Stakeholders in Promotion of ICTs for Development</u>

The APEC philosophy is that strong and vibrant economies are not built by governments alone, but by partnerships between government and its key stakeholders including the business sector, industry, academia, policy and research institutions, and interest groups within the community. APEC actively involves these key stakeholders in its activities including the development of the APIS.

To maximise the benefits of the APIS requires good policies, good governance, transparent decision making and robust institutional frameworks. APEC activities to address these requirements are discussed under their respective action lines, in particular Action Line 6. Individual economies are encouraged to adopt the same approach.

Private sector and user representatives routinely participate at meetings of the various groups and structured dialogues with the private sector are part of the meeting agenda for both TEL and ECSG. In the past two years APEC has conducted two high level symposiums on e-government, an e-commerce business alliance forum and numerous workshops on aspects of the information society,

all with other stakeholder involvement. In addition many of the projects undertaken by APEC are based on public/private partnerships.

APEC and its groups regularly undertake statistical collections and stocktakes of economy activities to determine the extent of development of APIS and to ensure activities are appropriately targeted and prioritised. Key among the activities has been measurement of Internet access in the APEC region (**ANNEX A)** to assess progress against the Digital Divide Blueprint for Action.

The results of these studies and material prepared for meetings are published on APEC websites that can be accessed from http://www.apec.org.

Action Line 2. Information and Communication Infrastructure: An Essential Foundation for the Information Society

The APEC vision for the APIS is based on the development of an Information and Communication Technology (ICT) network accessible by all and free of regulatory and interoperability conflicts.

Within the framework of the eAPEC Strategy APEC groups have developed the following strategies and material since WSIS Phase I:
- Digital Divide Blueprint for Action;
- Broadband Principles;
- Next Generation Information exchange.

In addition a number of regulatory issues discussed under Action Line 6 are designed to facilitate infrastructure development.

Action Line 3. Access to Information and Knowledge

Recognising that governments can lead by example in providing access to public information, APEC has encouraged economies to implement eGovernment practices. These are discussed under Action Line 7.

The infrastructure initiatives discussed under Action Line 2 are designed to ensure that all citizens have access to information and knowledge, particularly the disadvantaged. Within the context of digital divide discussions, economies exchange information on their approaches for providing access to the disadvantaged and people with disabilities such as remote area and community access projects[0].

The APEC TEL has conducted the following workshops:
- Website Accessibility ; and
- Content Promotion.

Action Line 4. Capacity Building

APEC addresses both capacity building in the use of ICT and the use of ICT in human resource development. These activities particularly recognise the needs of developing economies.

The Human Resource Development Working Group has developed an eLearning Strategy for the use of ICT in education and recent activities under that strategy include:
- The APEC Cyber Education Network; and
- The APEC Cyber Academy.

The TEL activities address both aspects of capacity building and include:
- APEC Telecenter Development Program;
- TEL e-Commerce Skills Standards Project;
- Smart Community Project;
- Mutual Recognition Arrangement-HRD Training Project;
- Regulatory Training Program;
- Establishment of CIO Training Model Network for e-Government Development;
- Edu Pact: An alliance for IT Literacy and Skills Development;
- SME Internet Safety Training Program;
- ICT Vendor Training Material Database;
- E_University Network for HRD for e-Government;
- IT Security Training Material Database;
- CERT Capacity Building Project; and
- Cybercrime Legislation and Enforcement Capacity Building Project.

Action Line 5. Building Confidence and Security in the Use of ICTs

The APEC Cybersecurity Strategy provides the framework for the protection of information and networks in the APEC region.

In addition to the capacity building activities included above, the following activities address the strategy:
- Cybersecurity Workshops;
- Compendium of IT security standards;
- APEC eSecurity Task Group (ESTG) website with links to IT security resources;
- Publication of Guidelines for Schemes to Issue Certificates Capable of Being Used in Cross Jurisdiction eCommerce;
- Publication of SafetyNet and SafetyMail booklets – now being translated into other languages; and
- Presentations and updates on IT security issues at ESTG meetings.

As a result of these activities, all users now have access to information to assist them in protecting their information and assets; a framework has been established to allow economies to exchange electronic transactions with other economies and European Union Member States without legal impediments; and all economies are expected to have operational CERTs and cybercrime enforcement contact points by 2006.

In addition the following activities build confidence in the use of the ICTs:

- APEC Online Voluntary Consumer Protection Guidelines (review);
- Draft APEC Privacy Framework;
- Provision of information resources on combating SPAM;
- APEC Principles for Action against Spam;
- APEC Implementation Guidelines for Action against Spam;
- Best Practice Template Memorandum of Understanding Concerning Cooperation on Combating Spam.

APEC ESTG and ECSG work closely with the OECD Working Party on Information Security and Privacy on these activities.

Action Line 6. Enabling Environment

As an international organisation APEC recognises the potential for conflicting policy, legal and regulatory approaches as well as technical interoperability problems.

The following activities are designed to ensure a consistent enabling environment:
- Stocktake of Progress Towards the Key Elements of a Fully Liberalised Telecommunications Sector in the APEC Region;
- Spectrum Policy and Management Database;
- Comparison of Equivalence of Selected Telecommunications Standards;
- Mutual Recognition Arrangement on Conformity Assessment for Telecommunications;
- Compliance and Enforcement Principles;
- WTO Telecoms Reference Paper;
- Regulatory Structures Analysis and Options;
- Paperless Trading Initiative;
- e-Commerce Strategies for Rural SMEs in APEC; and
- Global B2B Interoperability Project.

In addition APEC has conducted regulatory roundtables and workshops on the implementation of the

WTO Telecommunications Reference Paper.

A number of activities relating to e-government are discussed under Action Line 7 those relating to consumer protection, privacy and the regulatory framework for e-commerce are discussed under Action Line 5[0].

Action Line 7. ICT Applications: Benefits in All Aspects of Life

While many of the recent APEC projects have focussed on e-business and e-government applications, the eAPEC strategy encompasses all sectors.

The following activities address the development of e-government applications:

- e-Government High Level Symposium;
- e-Government University Network in HRD for e-Government;
- Electronic Certification Services for e-Government;
- e-Government Research Project;
- Dialog on e-Government; and
- Integrated e-Government for Local Government Project.

The following activities address the development of e-business applications:
- e-Commerce Awareness Seminars;
- TEL e-Commerce Skills Standards Project; and
- e-Commerce Strategies for Rural SMEs in APEC.

The following activities address the development of e-environment applications:
- APEC e-Disaster Management Strategy; and
- APEC e-Disaster Management Guides.

In addition the SME Working Group is adapting the eAPEC strategy for use in addressing SME needs.

Action Line 8. Cultural Diversity and Identity, Linguistic Diversity and Local Content

With 21 member economies APEC has wide cultural and linguistic diversity. It has recently established a Cultural Focal Point Network which seeks to promote cultural exchanges between APEC economies. The first project is the establishment of the APEC Film Festival.

Individual working groups are aware of the need to consider the possible cultural and linguistic impact of projects and activities. The Website Accessibility Workshop included discussion of the potential impact of English language bias in website design.

As English is the official language of APEC, all resources are developed in English with individual economies having responsibility for translation into their own language.

Action Line 9. Media

The activities discussed under Action Lines 2 and 3 facilitate the development of the new media, in particular those designed to increase the availability of broadband access. The cybercrime initiatives discussed under Action Line 5 address the issue of illegal content.

Action Line 10. Ethical Dimensions of the Information Society

The privacy and cybercrime initiatives discussed under Action Line 5 are designed to ensure ethical use of ICTs. In addition one of the training modules in the APEC IT Security Training Database addresses personal and organisational ethics in the use of ICTs.

APEC and individual economies through their activities discussed under Action Lines 3 and 4 are meeting their ethical responsibilities to provide universal access and sound governance.

Action Line 11. International and Regional Cooperation

In the eAPEC Strategy, APEC Leaders called on all APEC fora and mechanisms to cooperate and participate in the implementation of the strategy.[P1] The strategy also urges economies to implement appropriate policies and actions to promote sustainable growth in the information economy.

A number of APEC projects specifically target developing economies and others include funding to ensure developing economy participation. For example the CERT Capacity Building Workshops were conducted in each of the developing economies that did not have an existing CERT capability. The Cybercrime Legislation and Enforcement Capacity Building project including funding to bring delegates from developing economies to workshops conducted as part of the project.

V.   Conclusion

APEC is determined to continue our efforts to develop APII for the goal of creating APIS. It will be useful both for APEC and WSIS to share knowledge and experience and to conduct activities that generate multiplier effects between them

APEC INTERNET ACCESS STATISTICS
(As of April 1, 2005, as prepared for APEC TEL31)

Economy	# Users 2003	%Population 2003	# Users 2004	%Population 2004
World	Projection for 2004: 709.1 m (eMark-eter)	N/A	934 m (Computer Industry Almanac ###)	
APEC	400.09 m (conserv-atively 10/03)	15.6%(2.56 billion APEC population)	545.315 M	
Australia	5.076m (total subscribers) (1Q/03)** 4.4m HH** (1Q/03) 9.5m 14yrs+ (06/03)++	55% HH (2Q/03)++ 84% 16yrs+ (3Q/03)++	5.74m (total subscribers)** 4.6m HH++ (12/04). 10.4m 14yrs+ (12/04)++	62% HH ** 84% 16yrs+ (12/04)++
Brunei	62.9k	18%	109.9k**	31%**
Canada	16.11 m (2003) + 7.9 m HH (Statcan.ca 07/04)	71% of population ++ 64% of HHs (Statcan.ca 07/04)	20.45 m ++ (Dec 03)	64.2% ++
Chile	3.1 m (6/03)*		4 m (09/04) +	25.8% (09/04) +
China	79.5m (03/04)**		94 m (1/05, CNNIC) **	7.3% (CNNIC) **
Hong Kong China	2.34 m subs (12/03)**	34.3% (12/03)**	2.50 m subs (12/04) ** 3.48 m users (aged 10+) **	36.3% (12/04)** 50.5% **
Indonesia	8 m +	3.6% +	12.86 m ###	
Japan	77.30m**	60.6%**	78.05 m ###	
Korea	29.2m (12/03)*	65.91% (12/03)*	30.67m (06/04)*	68.61% (06/04)*
Malaysia	8.2M	32.7%	9.4M	36.7%

Economy	# Users 2003	%Population 2003	# Users 2004	%Population 2004
Mexico	12.3 m users (8/03)**	11.83%	14.3 users**	13.49%
New Zealand	2.1 m +	52% +	2.34 m ###	
Papua New Guinea				
Perú	2.85 m (12/03)##	10.42% (12/03)##	4.57 m ###	n.a.
The Philippines			5.96 m ###	
Russia			21.23M ###	
Singapore	2.14 mil narrowband Dial-up subscribers (6/03)	51% narrowband dial-up subscribers penetration (6/03)	1,734,100 narrowband subscribers (09/04), 483,500 broadband subscribers (09/04)** 2.135 m users + (09/04)	Narrowband 41.4%, Broadband 11.6%** 61% users +
Chinese Taipei	8.76m (12/03)**	39% (12/03)**	13.08m (12/04)	60.25% (12/04)
Thailand	6.03 m	10.4%	6.97 m	11.9%
USA	159 m +	55% +	170 m (12/03, FCC); 202 m (07/04) ++	68.8% (07/04) ++
Vietnam	1.6 m users (5/03)** 3.5 m +	About 2% (targeting 1.3-1.5 subs per 100, or 5% by 2005)** 4.3% +	5.3 m (06/04) VNNIC **	6.2% (06/04) VNNIC **

Key Sources:

+	= ITU
*	= Nua Internet Surveys (became CyberAtlas in 2003)
++	= Nielsen
**	= ABS 8153.0
+++	= OECD Digital Divide 2001 reports
***	= World Bank
HH	= Households
#	= Author of Report's analysis/calculation
##	= Non-official data
###	= Computer Industry Almanac (estimated year-end 2004)