Progress in the Implementation of the WSIS Action Line:
C6. Enabling environment

Summary of trends since the first phase of WSIS

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Internet governance

Following the first phase of WSIS, the Secretary General of the United Nations (UN) established the Working Group on Internet Governance (WGIG). WGIG produced a final report in 2005 that was submitted by UN to the WSIS Preparatory Committee.[1] The WGIG developed the following definition of Internet governance:

> "Internet governance is the development and application by Governments, the private sector and civil society, in their respective roles, of shared principles, norms, rules, decision-making procedures, and programmes that shape the evolution and use of the Internet."[2]

WGIG also identified the following four key public policy areas relevant to Internet governance:

(a) Issues relating to infrastructure and the management of critical Internet resources, including administration of the domain name system and Internet protocol addresses (IP addresses), administration of the root server system, technical standards, peering and interconnection, telecommunications infrastructure, including innovative and convergent technologies, as well as multilingualization. These issues are matters of direct relevance to Internet governance and fall within the ambit of existing organizations with responsibility for these matters;

(b) Issues relating to the use of the Internet, including spam, network security and cybercrime. While these issues are directly related to Internet governance, the nature of global cooperation required is not well defined;

(c) Issues that are relevant to the Internet but have an impact much wider than the Internet and for which existing organizations are responsible, such as intellectual property rights (IPRs) or international trade. The WGIG started examining the extent to which these matters are being handled consistent with the Declaration of Principles;

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[1] Working Group on Internet Governance. 2005. "Report of the Working Group on Internet Governance." http://www.wgig.org/WGIG-Report.html.
[2] WGIG 2005, p. 4.

(d) Issues relating to the developmental aspects of Internet governance, in particular capacity-building in developing countries.[3]

Following the second phase of WSIS, UN created the Internet Governance Forum (IGF) in 2006. The multi-stakeholder community meets once a year to dialogue on issues relating to privacy, digital content, human rights, and interconnection.[4]

Though the specific activities called for in the WSIS Plan of Action covering the work of a group on Internet governance have been accomplished, many of the priority public policy issues remain unresolved. The multi-stakeholder dialogue on those issues continues through various national, regional and international fora, including the UN General Assembly, ITU, UNCTAD's CSTD, IGF and ICANN.

Legal and regulatory environment

Effective legal and regulatory frameworks create a predictable environment that foster investment.[5] By the end of 2012, over 80% of nations had established ICT sector regulators and most allowed competitive markets.

ITU has been supporting countries in facing the challenges to regulation in an ever convergent environment through a comprehensive set of programs and activities. For example, the annual Global Symposium for Regulators (GSR) provides a venue for policy making officials to discuss topical issues affecting the ICT regulatory environment. In the lead to the event, a set of Best Practice Guidelines are developed through an open consultation with regulators and policy makers on a range of topical issues such as broadband policies, net neutrality, spectrum policy, infrastructure sharing and universal service. The Best practice Guidelines are adopted by the global community of regulators at GSR and serve as an important tool for furthering sector reform and fostering access to digital opportunities. Another example is the ITU's work on the issue of Alternative Dispute Resolution (ADR),[6] a critical area given that disputes can take a long time to resolve using formal regulatory processes.

There is a continuing need for sharing of experiences across a range of regulatory issues including competition, universal access and service policies and consumer protection as well as new and emerging issues.

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[3] WGIG 2005, p. 5.

[4] "Chair's Summary." 2012. In *Seventh Meeting of the Internet Governance Forum (IGF)*. Baku, Azerbaijan,. http://www.intgovforum.org/cms/2012/Book/Chairs.Summary.IGF.2012.pdf.

[5] Research into the link between effective regulation and investment concludes: " ... there continues to be a strong and positive relationship between regulation of electronic communications market and investment." See: Strategy & Policy Consultants Network Ltd. 2009. "Regulation and Investment: A Brief Note on the ECTA Scorecard and Investment 2007."
http://spcnetwork.eu/news/item/regulation-and-investment-a-brief-note-on-the-ecta-scorecard-and-investment.

[6] Bruce, Robert R., Rory Macmillan, Timothy St. J. Ellam, Hank Intven, and Theresa Miedema. 2004. "Dispute Resolution in the Telecommunications Sector: Current Practices and Future Directions". Geneva, Switzerland: International Telecommunication Union and The World Bank. http://www.itu.int/ITU-D/treg/publications/ITU_WB_Dispute_Res-E.pdf.

Privacy and consumer protection

OECD adopted consumer protection guidelines relating to electronic commerce as far back as 1999 which a number of its members have adapted to their own situation.[7] The guidelines aim to ensure that consumers are just as protected making purchases online as they would be using traditional methods. The guidelines encourage private sector initiatives reflecting the input of consumers and the need for cooperation among governments, businesses and consumers.

Computer threats have been varying over time with some types declining while new ones emerge. According to a computer security firm, there were around 30 billion spam emails a day in 2012 accounting for 69% of global email traffic; one in 413 emails were blocked as a phishing attack and some 250,000 web sites were crippled each day.[8] These threats not only damage computer systems but can also steal personal information. Some countries have outlawed these practices through computer crime legislation but enforcement remains difficult due to the cross-border aspect of many of these threats.

Many nations guarantee the right to privacy in their fundamental laws and some nations have extended this protection to cyberspace. The Council of Europe has several conventions protecting privacy online.[9] Similarly the European Data Protection Directive regulates the collection and use of personal information.[10] At the same time, governments are increasing their use of online surveillance of users in the cyber world. It has been argued that governments need to strike a balance between security and privacy[11] and that a lack of transparent rules undermines use and has serious economic implications.[12]

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[7] OECD. 1999. *OECD Guidelines for Consumer Protection in the Context of Electronic Commerce*. Paris, France: OECD.
http://www.oecd.org/sti/consumer/oecdguidelinesforconsumerprotectioninthecontextofelectronic commerce1999.htm.
[8] Symantec. 2013. "Internet Security Threat Report."
http://www.symantec.com/security_response/publications/threatreport.jsp
[9] http://www.coe.int/t/dc/files/events/internet/2010_fiche_privacy.pdf
[10] http://ec.europa.eu/justice/data-protection/
[11] Acohido, Byron. 2013. "Data Mining Pits National Security Vs. Personal Privacy." *USA Today*, June 9. http://www.usatoday.com/story/cybertruth/2013/06/07/prism-data-mining-cybersecurity-privacy/2401685/.
[12] Castro, Daniel. 2013. "How Much Will PRISM Cost the U.S. Cloud Computing Industry?" ITIF. http://www2.itif.org/2013-cloud-computing-costs.pdf.
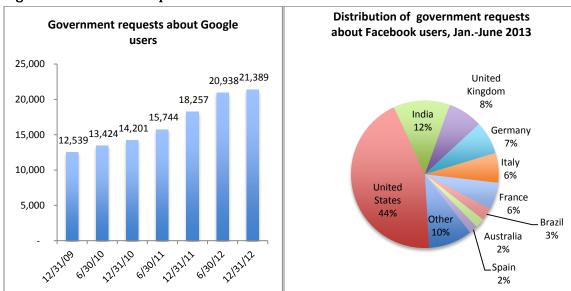
Figure 1: Government requests for Internet user data

Government requests about Google users

(bar chart values: 12,539 on 12/31/09; 13,424 on 6/30/10; 14,201 on 12/31/10; 15,744 on 6/30/11; 18,257 on 12/31/11; 20,938 on 6/30/12; 21,389 on 12/31/12)

Distribution of government requests about Facebook users, Jan.-June 2013

(pie chart: United States 44%, India 12%, United Kingdom 8%, Germany 7%, Italy 6%, France 6%, Brazil 3%, Australia 2%, Spain 2%, Other 10%)

Source: Adapted from Google and Facebook.

Consumer protection in the Internet age has largely been met through the application of existing laws, voluntary industry self-regulation practices and user purchases of security software. It is not clear whether these practices are sufficient to deal with the growing number and variety of computer threats. There is a need to identify consumer protection laws at a global level, their suitability for the information society and the design of a global framework for how online consumer protection might be improved. Equally there is need for more transparency about electronic surveillance by governments with respect to cloud computing.

SMEs

Countries can facilitate the operations and efficiency of SMEs and women entrepreneurs by supporting electronic interaction with the government in areas such as business registration, tax payment and filing of other government forms. The process of developing online government to business procedures typically involves a process reorganization, resulting in savings in the number of steps and time to carry out the procedure. According to the World Bank, the availability of online government procedures that would ease interaction with enterprises varies.[13] Over 80% of governments support online submission of trade documents but only 10% allow enterprises to file complaints on line in the case of contract disputes (Table 1).

Table 1: Online business facilitation practices, 2012

Topic	Practice	Number of Economies[a]	Share of economies
Making it easy to start a business	Putting procedures online	106	57%

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[13] World Bank Group. 2012. "Doing Business 2013 - Smarter Regulations for Small and Medium-Size Enterprises." http://www.doingbusiness.org/reports/global-reports/doing-business-2013.

Topic	Practice	Number of Economies[a]	Share of economies
Making it easy to register property	Using an electronic database for encumbrances	108	58%
	Offering cadastre information online	50	27%
Making it easy to pay taxes	Allowing electronic filing and payment	74	40%
Making it easy to trade across borders[b]	Allowing electronic submission and processing	149[c]	82%
Making it easy to enforce contracts	Allowing electronic filing of complaints	19	10%

Note: a=Among 185 economies surveyed unless noted otherwise. b=Among 181 economies surveyed. c=31 have a full electronic data interchange system and 118 a partial one.
Source: Adapted from World Bank, Doing Business database.

SMEs often report that one of the biggest barriers they face is obtaining credit. There are a number of steps governments can pursue to facilitate access to finance. This includes making loan guarantees, developing portals with financial information and advising SMEs on how to develop business plans and navigate financial options. Another step is to encourage the development of venture capital which has been particularly relevant in some countries for financing innovative, ICT-oriented SMEs. Attracting venture capital requires an enabling macro-economic environment including liberal foreign investment regulations and a stable exchange rate.

Governments can support SME involvement in ICT projects through open procurement policies, facilitation of innovation centers such as incubators and enhancing ICT skills and connectivity. Open and transparent government procurement policies makes it easier for SMEs to participate in providing goods and services to public administrations. Some countries are moving to electronic procurement to increase transparency and enhance access to tender opportunities for SMEs by lowering costs.

Another way that governments have been assisting SMEs to participate in ICT projects is to provide them with early stage support through incubation. Governments are also assisting SMEs through facilitating ICT connectivity and enhancing skills. Policies and regulations to support competitive ICT markets will lower the cost of products and services and help get more SMEs online. Lowering or even eliminating import duties on ICT equipment would also make it easier for SMEs to purchase computers and other ICT products.

E-government
Most countries have implemented some degree of e-government. According to the United Nations, 190 of its 193 members have an online presence though the level of

functionality varies tremendously across countries and regions.[14] Similarly, there is a big gap in implementation of *e-participation* which measures the use of the Internet by government to facilitate provision of information, interact with stakeholders and allow citizens to participate in decision making (Figure 2).
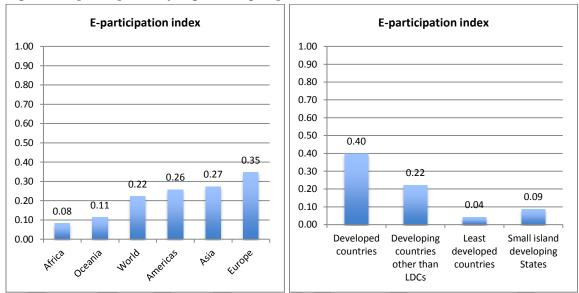
Figure 2: E-participation by region and group

Source: Adapted from UN E-Government Survey 2012.

"Open data" has recently emerged as a way to enhance government transparency, participation and efficiency. Publishing government data "...in a reusable format can strengthen citizen engagement and yield new innovative businesses."[15] Several initiatives have emerged to encourage open data:

- In September 2013 the Open Data Institute, Open Knowledge Foundation and World Bank announced a program to assist developing countries with deploying open data programs: "Making government, scientific and other data accessible and usable drives positive change across the spectrum: from health to transport, education to entrepreneurship, culture to community. This project will give citizens in developing countries the knowledge they need to campaign for change, and empower them to their hold their governments to account."[16]
- The Open Government Partnership is a multi-stakeholder organization consisting of governments and civil society formed to enhance government efficiency and transparency. It was founded in September 2011 by eight

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[14] United Nations, and Department of Economic and Social Affairs. 2012. *United Nations e-government survey, 2012: e-government for the people.* New York: United Nations. http://unpan1.un.org/intradoc/groups/public/documents/un/unpan048065.pdf.
[15] Huijboom, Noor, and Tijs van den Broek. 2011. "Open data: an international comparison of strategies." *European Journal of ePractice*, April. http://www.epractice.eu/en/document/5290090.
[16] Open Knowledge Foundation. 2013. "New partnership seeks to bring benefits of open data to developing countries." *Press Release*, September 18. http://okfn.org/press-releases/new-partnership-seeks-to-bring-benefits-of-open-data-to-developing-countries/.

governments (Brazil, Indonesia, Mexico, Norway, Philippines, South Africa, United Kingdom, United States) and has since grown to an additional 47 governments that have endorsed the Open Government Declaration and published country action plans. A main goal is to increase the availability of information about government activities. Its Open Government Declaration commits governments "...to systematically collect and publish data on government spending and performance for essential public services and activities ... to pro-actively provide high-value information, including raw data, in a timely manner, in formats that the public can easily locate, understand and use, and in formats that facilitate reuse."[17]

Conclusions

The enabling environment has witnessed the following trends since the first WSIS in 2003:

- Sector reform including creation of regulatory agencies and more open and competitive markets to attract investment.
- Progression of e-government though levels of online presence vary tremendously. Open data has emerged as promising tool for greater transparency.
- Internet governance issues debated through multiple forums at the national, regional and international level.
- Consumer protection and privacy in cyberspace continue to face challenges from computer threats and government surveillance.

Key future challenges for the enabling environment include resolving outstanding issues relating to further liberalizing the ICT sector; Internet governance; determining the right balance between security and privacy; and, enhancing delivery of government services and transparency of public administration processes.

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[17] http://www.opengovpartnership.org

a. Governments should foster a supportive, transparent, pro-competitive and predictable policy, legal and regulatory framework, which provides the appropriate incentives to investment and community development in the Information Society.

b. We ask the Secretary General of the United Nations to set up a working group on Internet governance, in an open and inclusive process that ensures a mechanism for the full and active participation of governments, the private sector and civil society from both developing and developed countries, involving relevant intergovernmental and international organizations and forums, to investigate and make proposals for action, as appropriate, on the governance of Internet by 2005. The group should, inter alia:

    i. develop a working definition of Internet governance;

    ii. identify the public policy issues that are relevant to Internet governance;

    iii. develop a common understanding of the respective roles and responsibilities of governments, existing intergovernmental and international organisations and other forums as well as the private sector and civil society from both developing and developed countries;

    iv. prepare a report on the results of this activity to be presented for consideration and appropriate action for the second phase of WSIS in Tunis in 2005.

c. Governments are invited to:

    i. facilitate the establishment of national and regional Internet Exchange Centres;

    ii. manage or supervise, as appropriate, their respective country code top-level domain name (ccTLD);

    iii. promote awareness of the Internet.

d. In cooperation with the relevant stakeholders, promote regional root servers and the use of internationalized domain names in order to overcome barriers to access.

e. Governments should continue to update their domestic consumer protection laws to respond to the new requirements of the Information Society.

f. Promote effective participation by developing countries and countries with economies in transition in international ICT forums and create opportunities for exchange of experience.

g. Governments need to formulate national strategies, which include e-government strategies, to make public administration more transparent, efficient and democratic.

h. Develop a framework for the secure storage and archival of documents and other electronic records of information.

i. Governments and stakeholders should actively promote user education and awareness about online privacy and the means of protecting privacy.

j. Invite stakeholders to ensure that practices designed to facilitate electronic commerce also permit consumers to have a choice as to whether or not to use electronic communication.

k. Encourage the ongoing work in the area of effective dispute settlement systems, notably alternative dispute resolution (ADR), which can promote settlement of disputes.

l. Governments, in collaboration with stakeholders, are encouraged to formulate conducive ICT policies that foster entrepreneurship, innovation and investment, and with particular reference to the promotion of participation by women.

m. Recognising the economic potential of ICTs for Small and Medium-Sized Enterprises (SMEs), they should be assisted in increasing their competitiveness by streamlining administrative procedures, facilitating their access to capital and enhancing their capacity to participate in ICT-related projects.

n. Governments should act as model users and early adopters of e-commerce in accordance with their level of socio-economic development.

o. Governments, in cooperation with other stakeholders, should raise awareness of the importance of international interoperability standards for global e-commerce.

p. Governments, in cooperation with other stakeholders, should promote the development and use of open, interoperable, non-discriminatory and demand-driven standards.

q. ITU, pursuant to its treaty capacity, coordinates and allocates frequencies with the goal of facilitating ubiquitous and affordable access.

r. Additional steps should be taken in ITU and other regional organisations to ensure rational, efficient and economical use of, and equitable access to, the radio-frequency spectrum by all countries, based on relevant international agreements.