Regional High-level Workshop on Electronic Commerce and ICT for Central America and the Caribbean

Curaçao, 25-27 June 2002

FINAL RECOMMENDATIONS

National e-commerce strategies

1. National e-commerce strategies can strengthen the smaller economies to advance their trade agenda in the global network economy. UNCTAD is therefore urged to support smaller economies to put in place the appropriate framework and infrastructures aimed at full participation in international trade.

2. Governments, when developing national e-commerce strategies, should take into consideration the following basic principles:

   (a) A national ICT strategic plan is the essential foundation for the development of e-commerce. This will only be possible if there is a long-term commitment on the part of all stakeholders.

   (b) E-commerce is key to any ICT strategy, as it is self-sustaining and thus an engine of growth.

   (c) E-commerce offers many potential benefits to the countries in the region: (i) it can increase prosperity, create employment and improve lives; (ii) it opens market opportunities, improves business efficiency, strengthens customer service, reduces costs and supports business decisions; (iii) it increases the efficiency of regional economies by lowering the cost of supply chains and inserting local enterprises into global market places.

   (d) E-commerce is a tool to enhance development, but should not be regarded as a goal in itself.

   (e) National Governments should be key players and, together with the private sector, should take a lead role in the development and use of e-commerce.

   (f) Governments should facilitate the entrance of smaller, marginal and less developed players in the marketplace.

   (g) Solutions for the development of e-commerce have to be market-driven, global and flexible.

3. The basic elements of a national e-commerce strategy should include: (i) awareness building; (ii) training and education, to enhance human capacity development, knowledge creation and sharing, to develop technical and business skills, and to train in the development of applications, marketing and managerial aspects; (iii) telecommunications, access and infrastructure to improve connectivity, increase access and lower costs; (iv) legislation to create an enabling regulatory environment for e-commerce activities; (v) support for the enterprise sector to foster e-business, provide coaching
(incubators), fund technology-based SMEs (venture capital), and assist enterprises through financing, matchmaking and international collaboration; (vi) sector-specific policies; and (vii) e-government, comprising not only e-governance and citizen services, but also online government procurement (B2G, G2B).

4. Additional important elements of national e-commerce strategies include secure banking and online payment systems, the promotion of cultural diversity where it is a comparative advantage, support for the development of local content (e.g. in sectors such as music, tourism or handicraft), and logistics and order fulfilment.

5. Governments, when designing and implementing e-commerce strategies, should take the following factors into consideration:

   (a) Governments should lead in policy development at the highest level (heads of State), with support at all levels of government, since the most successful e-strategy plans have had the direct support of the head of State.

   (b) A central macro planning and coordinating institution should be established, with the broadest participation of all sectors, secured financing and authority to ensure independence.

   (c) While common elements exist, each country has to define its own strategy addressing its particular needs.

   (d) All stakeholders must be involved in the design of a national e-strategy, including inter alia consumer and business organizations, high-level industry and government representatives, and ICT infrastructure and service providers.

Legal and regulatory issues

It was recognized that the need for an adequate legal and policy infrastructure that is supportive of and conducive to the practice of e-commerce is an essential prerequisite for promoting e-commerce in the region. In preparing legislation, Governments should not over-regulate, party autonomy should be preserved, and the legislation adopted should be technology-neutral. To accommodate e-commerce, countries might wish to give consideration to the following recommendations:

1. Governments of the region are urged to examine their legal infrastructure to see if paper-based form requirements prevent laws from being applied in an e-environment. In reviewing their legal infrastructure, and in order to ensure the legal validity of e-documents and the legally binding nature of e-contracts, they might consider using international instruments such as UNCITRAL’s Model Law on Electronic Commerce as a basis for preparing new laws or adjusting current laws. Furthermore, countries wishing to enable or facilitate the use of electronic signatures might consider preparing legislation based on the UNCITRAL Model Law on Electronic Signatures.

2. To ensure that users and consumers have effective redress for disputes arising
from online transactions through the use of ADR/ODR (alternative/online dispute resolution) systems, Governments should ensure that their legislation does not hamper the use of out-of-court schemes.

3. Governments are encouraged to consider the preparation of appropriate data protection legislation or appropriate guidelines regulating the collection, use, dissemination and protection of personal data to which business actors have access over the Internet with a view to avoiding undue restrictions on transborder transfers of data flows from countries where data is protected.

4. In order to boost consumer confidence and in addition to consumer protection legislation, Governments might wish to consider the promotion of self-regulatory instruments such as trust marks or “seals of approval”, guidelines and codes of conduct.

5. Governments are encouraged to implement intellectual property legislation in order to guarantee protection of rights in the digital environment. In doing so, Governments might consider ratifying the WIPO Internet Treaties.

6. Governments are urged to examine their legal frameworks and, where appropriate, enact legislation that would criminalize activities that involve interference with infrastructure security and computer crime. In reviewing their criminal laws, it is recommended that Governments take into account the Council of Europe Convention on Cybercrime.

7. Governments are encouraged to participate in the preparation of various legal and regulatory instruments and proposals being considered in international forums. Furthermore, they should consider establishing cooperative relationships so as to increase their capacity to deal with a number of complex issues that have arisen due to the development of ICT in such areas as taxation, customs, intellectual property, domain names, computer crime, Internet content regulation, privacy and data protection, consumer protection, certification authorities, and the role of accreditation and standardization bodies.

**Access and infrastructure**

In the area of access, infrastructure and telecommunications policies, Governments should consider:

1. Introducing competition and reform in all areas of telecommunications and data services, with the objective of liberalizing the telecommunication sector, while securing its proper management (single independent regulator).

2. At the same time, protecting the interests of consumers with respect to the prices charged for, quality and variety of services and universal access.
3. Enhancing the capacity of the existing infrastructure by increasing bandwidth access and availability and reducing Internet access costs for businesses and households.

4. Taking the initiative to broaden the use of technology and the Internet by facilitating the provision of free Internet access in all public schools, universities and other public locations such as libraries, and establishing telecentres throughout the country.

5. Encouraging providers to introduce alternative (and cheaper) devices, and considering the possibilities of wireless technology.

6. In cases where no regulatory framework governing interconnection agreements exists, inspiring international telecom providers to mutually and instantly honour requests for direct connections (private leased lines, including local loops) between Latin American and Caribbean countries at favourable rates for increased e-business in the region (e.g. interregional intranets).

7. Promoting the development of standardized security policies, procedures and documentation, and the creation of cooperative secure server environments.

**Logistics services for e-commerce**

Governments, in cooperation with the international community and the private sector, should promote the following specific measures:

1. Ensuring that logistics services providers are active participants in the development of e-commerce strategies.

2. Encouraging the integration and utilization of data exchange standards within existing business and trade networks that would enable tracking systems to operate across the logistics chain. Cooperation between Governments and international carriers should be fostered at both regional and international levels.

3. Extending the efforts already in place to integrate customs information systems across countries and eliminate unnecessary import/export documentation. The focus should be on harmonizing commodity tariffs, customs procedures and trade regulations so that trade facilitation is simplified and transparent between countries.

4. Creating certified logistics programmes to develop a cadre of fully trained logistics professionals.

5. Supporting the establishment of Trade Points in relevant areas of their countries as instruments to promote and facilitate e-business and exchange of business and investment opportunities.
6. Reviewing and streamlining existing trade systems and procedures prior to, or in collaboration with, efforts to automate the logistics chain.

**E-finance**

1. Governments, in cooperation with the private sector, should foster the creation of an e-finance-friendly regulatory environment and the development of secure methods of electronic storage and transmission of commercial messages, e-signatures and e-contracts.

2. Governments are encouraged to adopt flexible regulations and create a supportive institutional environment to encourage the introduction of e-payments, Internet banking, online trade finance and credit information, and other e-finance facilities relevant to SMEs, and ensure public-private cooperation in that respect.

**Human resources development**

1. There must be a commitment from the highest levels of government to develop the human resources of the region to meet the challenges of the e-business environment. In order for Governments to provide leadership in the area of e-business, intensive awareness programmes must be implemented at the executive level.

2. The public and private sectors and academia must work to develop national educational policies that focus on imparting appropriate skills. It is a prerequisite for a knowledge-driven digital economy to have people skilled in the areas of logic, creative thinking, critical analysis, etc.

3. Digital literacy must be enhanced by using the country's basic education system beginning at the primary school level, providing adult training and retraining programmes, and investing in ICT in educational environments in general.

4. The number of IT professionals must be increased, in cooperation with the private sector, by expanding IT training in universities, technical colleges and other training institutes throughout the country.

5. Governments should define their respective national value propositions based on their comparative advantages, including multilingual capacities. They must focus their human resources development in those areas.

6. Skilled professionals must be developed, retained and attracted as an essential part of national and regional strategies.

7. A culture of e-business must be developed, and the role culture plays in the business environment must be recognized. This could be initiated by opening up access to e-mail and the Internet.
8. Regional cooperation must be enhanced through partnerships with countries in the region for the purpose of diffusing research knowledge throughout the region.

9. Exchanges with the countries of the hemisphere, including exchanges of students and professionals, should be promoted with a view to upgrading the region’s human capital. Students from more advanced economies in the hemisphere could share their own experiences and knowledge.

Regional cooperation

Countries are encouraged to participate actively in all initiatives aimed at promoting the development of ICT and e-commerce at the regional level, including activities carried out by CARICOM, OECS, OAS, LACNET (of the UN ICT Task Force) and other regional and subregional agencies.