



Economic and Social Commission for Asia and the Pacific

Committee on Information and Communications Technology

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Item 4 of the provisional agenda*

**Building regional connectivity for sustainable development:
the creation of a seamless regional information space**

**Note verbale dated 10 October 2012 from the Office of the
President of Sri Lanka addressed to the secretariat of the
Economic and Social Commission for Asia and the Pacific**

The Government of Sri Lanka presents its compliments to the secretariat of the Economic and Social Commission for Asia and the Pacific, and has the honour to transmit to the secretariat the text of the outcome document of the Regional Expert Consultation on Connecting a Digital Society in Asia and the Pacific in order to Build Resilience, held in Colombo on 5 and 6 September 2012, and further requests that the outcome document be brought to the attention of the Committee on Information and Communications Technology at its third session during its consideration of item 4 of the provisional agenda.

* E/ESCAP/CICT(3)/L.1.

Annex to the note verbale dated 10 October 2012 from the Office of the President of Sri Lanka addressed to the secretariat of the Economic and Social Commission for Asia and the Pacific

Highlights and recommendations of the Regional Expert Consultation on Connecting a Digital Society in Asia and the Pacific in order to Build Resilience

Statement by the Chairman, Mr. Lalith Weeratunga, Secretary to the President of Sri Lanka

The experts consider high-speed broadband to be a key ingredient for building knowledge-networked societies that can bring major changes in socioeconomic and environmental fields. Information and communications technology (ICT) infrastructure and broadband, in particular, are rapidly becoming a meta-infrastructure that is transforming the services provided by other infrastructures and simultaneously making them more efficient. E-education and e-health are examples of services that are benefiting from this.

The regional digital divide in Asia and the Pacific has evolved into a growing knowledge divide. To rectify this, a key challenge lies in making broadband accessible, affordable and reliable in the effort to create a network of seamless ICT connectivity in the region.

The experts recognize that a significant part of this issue lies with the fact that regional and international connections depend almost exclusively on a few submarine cables. As a result, wholesale costs of connectivity are, on average, five times higher in Asia and the Pacific compared to costs in Europe or the United States of America, and the connections are less reliable as submarine fibre-optic cables are increasingly exposed to various hazards. Transnational terrestrial cable networks can offer a complementary solution to submarine cable networks to increase reliability and access as well as, under the adequate regulatory conditions, stimulate competition across routes and, hence, reduce bandwidth price, while providing added redundancy and lower latency.

The experts recommend that various bilateral, regional and transcontinental initiatives continue to be pursued while, at the same time, attempts should be made to reduce costs by synchronizing the roll-out of terrestrial fibre-optic cables with other infrastructure development projects, such as highway construction. In this regard, one such example would be to make use of the regional connectivity offered by the Commission's Intergovernmental Agreement on the Asian Highway Network. Building regional data centres to promote local accessibility and reduce the region's reliance on submarine cable systems can also be considered. The experts also note that open access principles are a key requirement in bringing down costs for universal access to broadband connectivity, as proposed in the LIRNEasia Longest International Open access Network (LION).

The experts are of the view that present, future and near-future ICT innovations, with the necessary enabling policy environment, will drive social progress and economic development and strengthen social resilience. They have cited as an example of this the use of innovations developed for computer games that focus on interactivity and visualization for training in disaster preparedness and disaster risk reduction. The experts have also emphasized the need for universal, reliable and affordable broadband and noted that utilization

of the Universal Access Fund to provide subsidized broadband roll-out plans can assist in achieving this desired goal. In this respect, good practices, such as the use of universal funds in Pakistan, could be considered. The experts take note of the near universal roll-out of ultra-high-speed connectivity in the Republic of Korea and its plans aimed at building a smart society. This drive presents options that could help in addressing future megatrends related to ageing, growing risks and uncertainties with a humanistic approach that incorporates “people power”.

The experts recognize that mobile telephones continue to be the preferred tool for reaching the poor. Mobile phones are becoming increasingly affordable to the poor due to falling hardware and user costs. The experts also note that the gender bias in mobile phone usage persists and that, among the poor, Internet and computer use is very low, short message service (SMS) use is slightly higher, voice connectivity is almost ubiquitous and penetration remains low for “more than voice” services delivered through mobile phones, such as mobile banking, government banking, government services and health services.

The development of “more than voice” services with content that is people-centric, meaningful and usable by the poor will be necessary in order to ensure that applications related to activities, such as mobile money and financial transactions and the provision of government services and timely and accurate agriculture-related information, continue to improve information flows and provide the poor with enhanced choices and resources for making decisions. To advance this, one approach may be to organize a regional forum that focuses on the development of mobile-based applications and services to be used as a building tool for the digital society. The forum could bring together developers, software companies, mobile operators and governments.

The experts are of the view that government policy plays an important role in creating an enabling environment through its support of harmonized communications standards, analytical software, the appropriate use of social media and crowdsourcing. Specifically, crowdsourcing is regarded as particularly useful in addressing community-based issues through public participation. This was recently demonstrated in Nepal, where it was used to obtain more accurate and location-specific information on forest fires.

Some of the latest trends in the digital world used for the delivery of public data, such as the Internet of Things, Big Data, the increased availability of public data, also known as Open Data and cloud computing, including G-Clouds, can spur the development of transformative applications. The experts, however, believe that, in order for these trends to be effectively exploited, policymakers need to address issues on security, trust, privacy and intellectual property protection. These trends provide significant opportunities to empower citizens, enhance competitiveness and stimulate public-private partnerships involving new business models, value chains and academia-industry collaboration.

The experts have taken note of the important roles of government in the above areas, together with the associated opportunities and challenges, as highlighted in a paper commissioned by ESCAP.¹ Some of the roles cited were: creating conditions for promoting technology transfer and technological

¹ Mervyn Levin, “ICT innovations: their contribution to knowledge-networked societies and resilience in Asia-Pacific” (draft), September 2012. Available from www.unescap.org/idd/events/2012-Colombo-meeting/Papers/Session2/Paper-2-ICT-innovation.pdf.

innovations, new models for education and skills to develop human capital, developing appropriate governance mechanisms and sharing good practices as a way to encourage adoption and enable these technologies to be part of the development of the evolving digital society in Asia and the Pacific.

The experts reiterate that ICT policymakers need to be forward thinking. Given the wide divergence in country-specific contexts, these policies should address design-reality gaps, leadership commitment and change management, poor academia engagement, funding shortfalls and infrastructure bottlenecks. Sustainable solutions are often affected by funding shortfalls. In this regard, it has been suggested that one solution to explore would be the establishment of a regional ICT innovation fund targeted at assisting entrepreneurs from least developed countries in developing start-up innovations. The experts also stress the need for governments to aggressively build human resource skills in ICT innovations.

The experts take note of the 1919 Government Information Centre (GIC) call centre, an innovative initiative of the Government of Sri Lanka, which not only provides information related to government services to those who do not have access to the Internet, but also serves as an alternate mode for the public to obtain information rapidly and conveniently. They also take note of other initiatives, such as the private sector e-channelling initiative, which has made it easier for users to make medical appointments and pay for them through the use of mobile phones.

The experts take note of the “meaningful broadband” model in which the word “meaningful” refers to three key terms: usable, affordable and empowering. The initiative, which was formulated by the Digital Divide Institute, is built on a continual assessment of five “innovation domains”: (a) public and regulatory policy; (b) technology design; (c) finance; (d) management; and (e) ethics. Indonesia has formally adopted this model, and Bangladesh, Cambodia, Nepal, Pakistan and Thailand are considering it. According to the model, ethics is the aspect that joins all other domains. The innovation domains listed above, when combined, facilitate the emergence of a “national meaningful broadband ecosystem” which continually adapts next generation technologies to the needs of the mass market. The model does not generate incremental change in legacy systems but it elicits transformational societal changes towards achieving inclusiveness and sustainability. It has been recommended that ESCAP work with the Institute’s Meaningful Broadband Coalition to share best practices and define subregional and regional aspects of the model.

The meeting provided an overview of various aspects of the Convention on the Use of Electronic Communications in International Contracts, 2005 (Electronic Communications Convention),² including the Convention’s drafting history and scope, underlying policy goals and interaction with other fundamental international trade law texts, such as the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, 1958 (New York Convention)³ and the United Nations Convention on Contracts for the International Sale of Goods, 1980,⁴ and a description of the ongoing efforts in Thailand to adopt the United Nations Convention on the Use of Electronic Communications in International Contracts (Electronic Communications Convention). Particular attention was given to the benefits arising from the

² United Nations General Assembly resolution 60/21, annex.

³ United Nations, Treaty Series, vol. 1068, No. 4739.

⁴ United Nations, Treaty Series, vol. 1489, No. 25567.

adoption of the Electronic Communications Convention both in States that already have legislation based on uniform texts of the United Nations Commission on International Trade Law (UNCITRAL) (such as the Republic of Korea, Singapore, Sri Lanka and Thailand) and in States that have not yet adopted any legislation in the field, or have only partial and unsatisfactory provisions for this.

The meeting also offered an overview of the several initiatives related to business-to-business (B2B) and business-to-government (B2G) concepts that are being implemented or are about to be launched in Sri Lanka. Among those cited were the national electronic single window, an electronic payments system and several B2G applications, for instance, in the field of road traffic regulation. It was stressed that the Electronic Transactions Act, 2006, which is based on the UNCITRAL Model Law on Electronic Commerce, 1996,⁵ led to the establishment of an enabling legal environment for implementing these initiatives. It was further illustrated how such an environment would become even more supportive of private enterprise when updated and completed with the formal adoption of the Electronic Communications Convention. In that regard, Sri Lanka announced its intention to pursue ratification of the Electronic Communications Convention, to which it was an early signatory, in the near future. It was further indicated that Thailand was also pursuing accession to the Electronic Communications Convention, in the framework of the revision of its Electronic Transactions Act.

The experts note that, as trade continues to be a key engine of growth for development in the Asia-Pacific region, countries have increasingly used ICT to reduce trade transactions costs and to maintain or enhance their competitiveness, as well as to make it easier for more businesses to engage in trade. Many governments are in the process of developing an electronic single window and other ICT-based platforms to replace the numerous paper-based documents with electronic documents. The experts emphasize the importance of re-engineering procedures before these ICT-based applications can be adapted.

The experts discussed various legal and operational aspects of the establishment of an enabling legal environment for electronic single window facilities, both at the national and at the international levels. Details were provided on the legal frameworks set up to support successful electronic single windows, such as those in the Republic of Korea and Singapore. The importance of a clear vision and firm political commitment in the design and implementation of the electronic single window facility was highlighted. It was also stressed that seamless interaction between the private and public sectors was of key importance for the establishment of an enabling legal environment, and that successful examples of this were the adoption of common legal principles for both sectors based on uniform model laws, namely those prepared by UNCITRAL. It was concluded that further work in developing such legal frameworks would be needed to make progress in facilitating cross-border exchange and recognition of trade-related documents, both at the national and regional levels to facilitate cross-border exchange and recognition of trade-related documents, as noted by the Economic and Social Commission for Asia and the Pacific in its resolution 68/3 of 23 May 2012 on enabling paperless and the cross-border recognition of trade. In this regard, adoption by member States of the UNCITRAL Electronic Communications Convention is seen as an important step towards facilitating cross-border paperless trade.

⁵ United Nations General Assembly resolution 51/162, annex.