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## INTERNET GOVERNANCE FORUM 2009

### WORKSHOP REPORT

#### 1. Title

Internet Governance: Economic- Recovery and Growth

#### 2. Organizers and Panelists

##### Organizers:

ICC BASIS

Government of Lithuania Information Society Development Committee

##### Moderator:

Herbert Heitmann, Chair ICC's Commission on E-Business, IT and Telecoms (EBITT),  
Chief Communications Officer, Global Communications, SAP

##### Panelists:

1) Joseph Alhadeff, Vice President Global Public Policy and Chief Privacy Officer, Oracle,  
United States of America

2) Mohamed Elnawawy, Vice President for Corporate Strategy (CSO), Telecom Egypt (TE),  
Egypt

3) Desiree Miloshevic, Visiting Industry Research Associate, Oxford Internet Institute,  
United Kingdom

4) Aurimas Matulis, Director, Information Society Development Committee under the  
Government of the Republic of Lithuania, Lithuania

5) Nermine El Saadany, Director of International Relations Division, Ministry of  
Communications and Information Technology, Egypt

##### Lead discussant:

Former Ambassador David Gross, Partner, Wiley Rein

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### 3. Discussion

Panelists and participants had an interactive exchange on how addressing Internet governance issues appropriately can stimulate economic recovery and growth. Economies can be boosted by putting in place the necessary legal, policy and regulatory approaches that promote innovation, infrastructure and investment in the Internet and ICTs.

The panel began with the results of the Oxford Internet Institute Policy Forum discussion paper "The New Economic Context of Internet governance" that showed that there was no immediate evidence that the economic downturn has caused any changes or call for changes in the roles of stakeholders in internet governance processes. Nonetheless, Desiree Miloshevic questioned whether there will be more regulation or more liberalization as a result of the economic crisis. She believed that the recent signing of the Affirmation of Commitments between the US Department of Commerce and ICANN is an example indicating that the response will be greater liberalization. She urged governments to support the internet as an essential driver of economies, stating "it's the oil that makes everything move smoothly." She discussed a case study that examined the United States Stimulus Bill aimed at creating jobs and as a sign that a stronger Internet sector was perceived by policy makers as a key facilitator to the economic downturn. A remaining question is who will make next investments- private sector or government. Participants also considered whether there was a difference between governments' use of stimulus plans, where those in mature markets may implement policies to protect existing industries during economic downturns while those in emerging markets may support investment in ICT as a source for future growth. Panelists cited figures that support these claims- 25 million jobs can be created globally due to ICTs, especially mobile broadband. This is because of multiplier effects, as an example, for every 1 ICT job created in India, 4 non-ICT jobs are created. Joseph Alhadeff described the "I's" that are part of the APEC checklist: infrastructure, innovation, investment, information flows, intellectual capacity, integration (trade), implementation and inclusion that are key elements of an environment that enables ICT-driven economic growth.

Nermine el Saadany discussed Egypt's experience. Her ministry has been working with the private sector, using a bottom up approach to policy development, listening to their views to develop their development strategy.

Panelists suggested that Egypt was successful because they put in place the right foundation. "You can throw money at technology but without the right foundation it won't take- you need to optimize investments," stated Joseph Alhadeff.

Aurimas Matulis shared how his office, which is charged with coordinating the information society in Lithuania, implements projects related to infrastructure development. He has found that cooperation with the private sector in explaining how and what to access as well as the advantages of using ICTs has improved issues related to lack of skills and knowledge and

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improve the ability of ICTs to drive economic growth. In Lithuania, state financed rural fiber connections have also played an important role in building an environment for small and medium enterprises to offer services. This is particularly important for countries like Lithuania, where one third of the population lives in rural areas. Recently, more than 20 small new Internet Service Providers (ISPs) have started in rural areas. As a result, while the overall economy shrunk 20% in 2008, during the crisis, the percentage of people connected to the Internet grew by 11%. Proper state regulation also contributes to the growth of ICTs. For example, the Lithuanian regulator is flexible providing licenses for wimax and other technologies and provides them free of charge.

Mohamed Elnawawy discussed the importance of adequate infrastructure, using the direct fiber connections to Egypt and Africa as examples. Although there is currently a moderate amount of infrastructure currently connecting the south to the north, forecasts show a large increase in the near future. He discussed the need for diverse connections, specifically to avoid outages due to accidents such as cable cuts that recently occurred that could pose extreme detriment to economies.

Participants questioned why, when there was strong commitment to the relationship between ICTs and growth so few most senior political leaders are focused on this issue, Ms. El Saadany thought political will and empowerment was necessary. She cited the positive example of Egypt, where the highest levels of government are committed to promoting development by improving ICT infrastructure and access. In this case the political empowerment stems from the fact that the Prime Minister is a former ICT Minister- political empowerment. She also discussed the need for private public partnerships which can't happen without senior leader support. Others cited the Global regulatory symposium, an annual event that discusses how future policies should be developed, as an example of government leadership looking at the role of ICTs.

A participant from Kenya encouraged global business organizations to support local business associations by reaching out to their members through capacity building programs. He thought this would inform private public initiatives and help industry communicate their needs better to governments. Participants also discussed what companies are doing to build capacity, including establishing local partnerships to offer training academies. It was emphasized that training needs to start at earliest levels of education- linguistic, etc. and that there was an equal need to teach the teachers as technology evolves.

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