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Terms of Reference

ATAC Subcommittee on the Information Economy

Background

ICTs continue to play an important role in economic expansion through their impact on productivity growth via three main channels namely production, investment and usage/diffusion- efficiencies. As the penetration of ICTs increases, it becomes important also to examine the economic and social implications of their development, diffusion and use.

The contribution of the information economy to the overall economic performance is related to the amount of resources devoted to the new information technologies. Investment in ICT establishes the infrastructure and provides equipment and software which helps labour productivity growth. ICT's are also enabling many of the changes in business and innovation processes and this in turn translates to other sectors.

Electronic commerce

Electronic commerce is central in delivering sustainable economic growth, more and better jobs, expanding world trade, and improving social conditions. E-commerce activities present unique opportunities for Africa. However, in order to capitalize on these opportunities, tremendous challenges must first be overcome in terms of:

- Establishment of the legal framework at national and sub regional levels for the operationalization of e-commerce through development of transportation, shipping and certification systems
- The development of national information and communication infrastructure
- Intellectual Property Rights
- Human resources development
- Inadequately Developed Financial Sector
- Establishment of sub-regional mechanisms for passing niche knowledge on e-commerce e.g. through conducting of workshops/conferences on the potential of the Internet to do business

E-commerce presents African countries with an array of opportunities for increasing economic development in such areas as the creation of new industries, rural development and tourism promotion. Countries that do not embrace this information revolution will falter in the quest to be part of the global Information Society. Countries that confront these challenges through national information and communication infrastructure (NICI) planning, public/private partnerships and international cooperation can reap huge benefits in terms of economic growth and socio-economic development and contribute in breaking the digital divide. For African SMME's to succeed in the current economic environment, they will have to network and build alliances.

Objectives of the Subcommittee

In this context, a Subcommittee on Information Economy has been established, as part of ATAC, by ECA to provide the secretariat with strategic advice, including providing technical support, organizing workshops, coordinating discussion forums, participating in meetings related to the promotion and implementation of e-commerce related activities in Africa. Advice should also include development of appropriate and relevant ICT trade and business models on the information economy, including on M-Commerce for use by member States.

Elements for consideration

Members of the Subcommittee when delivering advice should consider the following elements.

- Human capital is a key policy area in the information economy as it is required for innovation and growth. It becomes necessary therefore to monitor the supply, demand and development of ICT skills and human resources.
- Enabling ICT policy frameworks designed to meet the opportunities and challenges of ICTs are a must in shaping economic growth, productivity, employment and business performance and ensuring that benefits are widely shared. This calls for the adoption of strategies for developing dynamic and coordinated policies and guidelines, using international expertise when appropriate and operating within agreed regional and sub-regional frameworks. The strategies could also target universal access policies and models at the national level, harmonisation at the sub-regional level and capacity building to strengthen Africa's voice in global debate on information society issues.
- Harmonisation would assist in bridging varying legislative/legal/policy frameworks to provide for cross-jurisdictional acceptance of authentication services and for legal effect of electronic signatures in the case of electronic commerce. The government should address legal and regulatory issues that currently constrain use of new technologies to ensure smooth implementation of the national information and communication infrastructure (NICI). This could entail the modification of laws and regulations in different areas such as intellectual property, privacy, encryption, information security, taxation etc.

The Way forward

Within the framework of ATAC, upon consultations with the ECA secretariat and under the leadership of its coordinator, the Subcommittee is expected to reflect on the above issues and prepare a one-year work programme for implementation.