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**Reports on thematic meetings
in the First Plenary Meeting**

Agenda item 5f of PrepCom2

“ITC’s 2004 e-Business Forum for South America”

Presented by
Mr. R Badrinath
Director,
Division of Trade Support Services,
International trade Centre
UNCTAD/WTO

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Palais des Nations
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Thank you Mr./Mme Chair,
Ladies & Gentlemen,

It gives me great pleasure to report to you on the 2004 e-Business Forum organized by ITC for South America.

e@ITC

The International Trade Centre, better known as the ITC, as most of you may be aware, has two parents, UNCTAD and the World Trade Organization. In the United Nations System, ITC is *the* focal point for technical cooperation in trade promotion and business development. Our role at ITC, is to contribute to efforts in the developing world, for businesses to be able to compete in the new digital economy and build confidence in e-business. At ITC, we are concentrating our efforts to put "e" to work in driving the competitiveness of small and medium-sized enterprises, to create awareness and to demonstrate potential positive and negative impacts of e-trade.

Forum's Partners and Values

This event was demand-driven and organized in partnership with Camara Brasileira de Comércio Eletronico and the Ministry of Development, Industry and Foreign Affairs of Brazil in November 2004 in Sao Paolo. Country delegations from Argentina, Bolivia, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela were present and interactively shared their experience, successes and concerns on e-business development.

The Forum was organized in believe that:

- Trade is an effective tool for economic growth, distribution of wealth and social prosperity;
- Information and Communication Technologies (ICT) are a powerful driver of international trade:
- The Millennium Development Goals can be achieved, but not without the concept of Digital Inclusion of small and medium sized enterprises (SMEs) into the emerging digital economy and their wide application of ICT.

The major drivers of the event

As I already mentioned the Forum was organized as ITC's corporate response to the numerous demands received from Latin America. *The Forum drivers* were the business realities, which confirmed that more and more opportunities emerge on e-marketplaces

and that small businesses often forced by large companies to fully integrate “e” into their daily business practices. But lack of specific e-Business knowledge and skills provoked resistance to change and resulted in competitive disadvantages for SMEs.

- South Latin American countries lag behind other regions in e-Business development;
- The full benefits of ICT and e-business applications are not being exploited to enhance regional integration;
- Government authorities lack enterprise policies and associated institutions and instruments for the development of e-businesses at national and regional levels;
- The public sector does not clearly understand SMEs needs in the e-business area; and
- The absence of key performance indicators for measuring the state of e-business development in the region inhibits effective e-policy formulation and implementation.

Issues discussed

During this three-day event, the Forum brought together trade policy-makers and business representatives in e-Business in the region to debate on how to empower SME exporters through better use of the information and communication technology.

This 2004 Forum prime focus was on the critical issues of e-business development in fast-moving, technology-driven global markets and constantly changing business practices. In particular, it concentrated on such issues as new waves of e-business, e-security, e-legislation, and access to cyber marketplaces, investments in e-business technologies.

Participants of the event learned about evolution of e-business in different regions of the world – Latin America of course, but also Africa, Asia, Europe and the USA. Their knowledge of current and emerging e-business was enriched through the sharing of experience of participants from the public sector, e-business industry associations and e-business champions in the region.

In addition to plenary sessions, Forum held very focused workshops on topics like e-Textile, e-Finance, e-Business Strategy and e-Business Networking. The experience of ITC’s flagship “E-Trade Bridge Programme” was shared with the participants.

Outcomes of the e-Business Forum

e-Business Forum helped tackle some of the challenges SMEs face when entering the digital economy.

This Forum facilitated and enhanced the dialogue between export managers of SMEs and national strategy makers responsible for promoting international e-business. It made the voice of SMEs heard by policy-makers. A constructive debate, sometimes very hot, helped bridge the gap between decision-makers and industries in national e-business and e-trade strategy formulation.

This Forum showcased successful e-business models and initiatives from around the world to address the specific critical issues of e-business development. Recognizing the potential of new and innovative technologies is one thing; applying them effectively to boost the bottom line is another.

This Forum enriched its participants' knowledge through interactive learning, expertise sharing (South-South and North-South) and e-network building. Indeed, we established a unique platform of high-level synergies for national and international stakeholders on e-Business co-operation. Both private and public sectors were better equipped to deal with the rapidly evolving e-business environment and the challenges of e-Trade.

Let me conclude my presentation by emphasizing the voice of SMEs heard during this event.

In particular they declared:

“We resolve to:

- Foster the inclusion of the SMEs as the prime builders of the Digital Economy and the Information Society;
- Establish and enhance public-private partnerships as a central element to formulate strategies and programs, at both national and international levels;
- Accelerate the development, in each country of the region, of the appropriate e-business regulation framework in line with emerging international practices and standards;

- Promote access for SMEs to Internet trading platforms, based on open technologies and standards of interoperability, to enable them to benefit from participation in global value chain; and,
- Develop managerial skills at enterprise, country and regional level for adoption of information technology and enhancement of SMEs competitiveness.”

I hope that the message from Sao Paolo will also be properly received in Geneva and in Tunis.

Thank you.