

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Folder Title:

G8 - IT - Digital Divide (6/00)

Staff Office-Individual:

National Economic Council-Brainard, Lael

Original OA/ID Number:

CF 1361

Row:	Section:	Shelf:	Position:	Stack:
23	5	1	2	V

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. paper	The Information Society and the Digital Divide (4 pages)	06/00/2000	P1/b(1)
002. paper	Japan's Comprehensive Co-operation Package to Address the International Digital Divide (3 pages)	06/00/2000	P1/b(1)
003. paper	Establishment of Working Groups after the Okinawa Summit (3 pages)	05/10/2000	P1/b(1)
004. list	Digital Divide - Brainstroming with heads of state - Tokyo 19 July (2 pages)	05/17/2000	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Brainard, Lael
OA/Box Number: CF 1361

FOLDER TITLE:

G8-IT-Digital Divide (6/00)

2019-0203-F
ke5669

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D. C. 20500

CHIEF OF STAFF

May 17, 2000

MEMORANDUM FOR LAEL BRAINARD

FROM: AUDREY CHOI, COUNCIL OF ECONOMIC ADVISERS *AC*
THOMAS KALIL, NATIONAL ECONOMIC COUNCIL *TAK*

SUBJECT: Proposed Private Sector/G-8 Initiatives for IT in Developing Countries

Background:

Wide-scale deployment of computers and the Internet can bring tremendous social and economic benefits to developing countries. Although certainly not a silver bullet for the enormous challenges faced by developing countries, it can be a powerful tool. Broader diffusion and greater utilization of the Internet could lead to the following kinds of benefits:

- Businesses in developing countries will be able to tap in to the rapidly growing electronic marketplace - which has been estimated to exceed \$7 trillion by 2004. Micro-enterprises in developing countries may be able to sell directly to customers in developed countries, significantly improving their margins.
- Developing country health professionals will be able to access the most recent medical literature.
- Students and adults in developing countries will be able to acquire new skills by accessing material that was previously unavailable.
- More political and civic organizations will be able to express their views using the Internet, and censorship and control over the flow of information will become increasingly difficult.
- Experts and practitioners in government agencies and NGOs who are seeking to find solutions to the same problems (e.g. public health, housing, rural development) will be able to form global "communities of interest."

Private sector leadership, investment and innovation have proven effective in spreading these technologies through major industrialized markets and some emerging markets. However, there are significant barriers to the broader diffusion of the Internet in developing countries:

- A hostile policy environment, such as exorbitant charges for leased lines charged by monopoly PTTs or high tariffs on information and communications products;
- Lack of infrastructure (reliable power grid, basic telecommunications infrastructure);
- Absence of people with the skills needed to deploy the Internet, develop Internet-based information services, or effectively use the Internet;
- Lack of IT products that are designed for the unique needs of developing countries;
- Difficulty in attracting private sector capital, especially for the poorest developing countries.

Goals:

G-8 should launch an initiative to promote the Internet and its applications in developing countries that would have the following as goals:

- Maximize contributions that IT can make to economic development in the poorest countries;
- Encourage countries to pursue policies that will enable the Internet and information technology to flourish (e.g. promoting competition and privatization in the telecommunications sector, avoiding restrictive licensing policies for Internet Service Providers, allocating spectrum for wireless services);
- Create incentives for the development of technologies to meet the unique needs of developing countries; and
- Ensuring that more people in developing countries have Information Age skills.

Specific Public and Private Sector initiatives

1. **Training Programs.** Human capacity to put in place the right regulatory system, and to build and sustain an IT revolution is critical. Training programs to support this goal should include:

a. Regulatory Training – providing expertise to enable developing countries to move toward transparent, pro-competitive regulatory regimes that will encourage private investment. G-8 Governments could commit to providing a series of regulator-to-regulator training seminars that would be conducted around the world, on a regional basis. This could build on existing efforts by the FCC and USTTI to provide regulators with education and training in policies that promote privatization, competition, and private sector investment.

b. Technical Training – providing technical experts (people who can manage national and regional networks, provide staff for Internet Service Providers, Internet content providers and

application developers. See: <http://www.isoc.org/inet98/ntw-report.shtml> for a model that could be scaled.

Cost: Assuming that travel and tuition for a one week workshop would be \$5000 per person. Training 4,000 developing country professionals would cost \$20 million/year. Private sector would provide in-kind contributions of equipment and trainers.

c. Applications Training -- Foundations and NGOs with experience in use of the Internet in specific application areas (i.e. telemedicine, micro-e-commerce, public health information, cultural preservation, etc.) could commit to partnering with G-8 and corporations to add application-specific training to regional conferences.

2. Expert Consultations – providing a corps of trained professionals from developed economies who would provide consultation and advice. These could help developing countries use tools like the IBM/Harvard University "readiness assessment."

a. IT Volunteers: G-8 countries could set a goal of collectively sending 5,000 private sector IT professionals from developed countries to spend a semester in developing countries. This would build on existing efforts such as the U.S. Government's Global Technology Corps; NetCorps Canada International and other efforts that currently help match private sector volunteers with projects that need it.

b. One-Stop Technical Assistance Shop – Establish central point of contact where developing countries with technical assistance questions could pose queries, which would be triaged and routed to appropriate experts who have volunteered to be email mentors. This could be modeled on the Virtual Reference Desk developed in domestic education technology efforts and the Y2K help center.

3. Encouraging the Development of Technology for Unique Needs of LDCs.

Provide Design and Development Incentives for low-cost computing and communications devices for LDCs. These should include devices that can be used off the power grid, without a wired telecommunications infrastructure, and that operate on visual or verbal commands for low-literacy populations.

a. Centers of Excellence for Affordable IT: Governments, foundations and the private sector could support the establishment of university-based "centers of excellence" that would conduct research and development on low cost devices, connectivity and applications to make IT widely available in low-income communities. Centers of excellence would be funded in both developed and developing country universities. Centers would also provide inter-disciplinary education and training at the intersection between IT and development.

Cost: \$5 million per center per year - \$50 million for 10 centers.

- b. **Awards Program.** Establish a prestigious awards program for the most innovative products, pilot projects, and business plans that would provide self-sustaining models of using the Internet for economic development in LDCs. Winning products and pilot projects would receive seed funding to be implemented. Business models could also be posted and made widely available to LDC entrepreneurs through training mechanisms described above.
- c. **Seed Capital for LDC Entrepreneurs.** For those developing countries who have made commitments to pursue pro-competitive GII policies, provide seed capital for indigenous entrepreneurs to start Internet and E-commerce enterprises. This would include start-up cash as well as business advice from IT and dot-com professionals.

4. Developing Content for Development.

Sponsor "digital libraries for development" in areas such as: Public health; Agriculture; Micro-enterprise and policies towards the informal sector; Education and training; and E-commerce and telecommunications policies in developing countries. Digital libraries could contain courseware, case studies, reference material, statistics, papers, etc. Also help support "communities of interest" through e-mail discussions and other forms of interaction between practitioners.

Cost: \$2 million/year per library.

5. Expand support for innovative applications of information and communications technologies that benefit developing countries

- Increase funding for World Bank's "InfoDev" program
- Increase funding for Internet for Economic Development Initiative. (USAID prepared to add up to 6-12 additional countries to initiative).
- Make IT integral part of infrastructure reconstruction efforts in countries like Mozambique that receive disaster relief assistance.

The private sector is recommending increasing funding of IT programs in multilateral institutions to \$500 million, and removing barriers to private sector participation in multilateral projects. It would be difficult to call for a specific number without knowing what the current level of investment is.

cc: David Beier
Elizabeth Echols

G-8 DE would like print

Draft June 6, 2000

DOWG
no staff
↑ addl.

WG's on a lot of subjects

Specific Public and Private Sector initiatives for Developing Countries

1. E-Commerce Readiness: + *Bert*

- a. **Readiness assessment:** Building on tools like the Harvard-IBM guide, all developing countries would be offered an assessment of their current readiness to embrace e-commerce and the information society. These assessments would look at metrics such as availability and cost of information and communications products and services, the availability of training, and the extent to which the policy environment helps or hinders the growth of IT adoption. Completing this assessment could be a condition to participating in some of the initiatives described below.
- b. **Regulatory Training** G-8 Governments could commit to providing a series of regulator-to-regulator training seminars that would be conducted around the world, on a regional basis. This would provide expertise to enable developing countries to move toward transparent, pro-competitive regulatory regimes that will encourage private investment. This could build on existing efforts by the FCC and USTTI to provide regulators with education and training in policies that promote privatization, competition, and private sector investment.

c. *Clearinghouse*

2. **Human Capital for the Information Age.**

- a. **Technical Training** – providing technical experts (people who can manage national and regional networks, provide staff for Internet Service Providers, Internet content providers and application developers. See: <http://www.isoc.org/inet98/ntw-report.shtml> for a model that could be scaled.

Cost: Assuming that travel and tuition for a one week workshop would be \$5000 per person. Training 4,000 developing country professionals would cost \$20 million/year. Private sector could provide in-kind contributions of equipment and trainers and development of curriculum.

- b. **IT Volunteers:** G-8 countries could set a goal of collectively sending 5,000 private sector IT professionals from developed countries to spend a semester in developing countries. This would build on existing efforts such as the U.S. Government's Global Technology Corps; NetCorps Canada International and other efforts that currently help match private sector volunteers with projects that need it.

3. **Promotion of innovative applications of IT for developing countries**

- a. **Applications Training** -- Foundations and NGOs with experience in use of the Internet in specific application areas (i.e. telemedicine, micro-e-commerce, public health information, cultural preservation, etc.) could commit to partnering with G-8 and corporations to add application-specific training to regional conferences.

LDC
examples of success stories

- b. **Digital Libraries for Development:** Sponsor "digital libraries for development" in areas such as: Public health; Agriculture; Micro-enterprise and policies towards the informal sector; and education and training. Digital libraries could contain courseware, case studies, reference material, statistics, papers, etc. Also help support "communities of interest" through e-mail discussions and other forms of interaction between practitioners.

Cost: \$2 million/year per library.

- c. **Expand efforts of multilateral institutions to promote innovative applications:** Expand programs in multilateral institutions such as InfoDev.

4. **Encourage creation of IT businesses in developing countries**

- a. **Create venture funds and incubators:** Provide risk capital and managerial and technical assistance to IT businesses in developing countries.
- b. **Create "social venture" funds:** These funds would look at both the commercial and social rates of return, and might support projects that can be self-sustaining (e.g. community access centers that provide telephony and Internet access) -- but are unlikely to provide the huge potential "upside" (10x or more return from initial investment) that VC firms are looking for.

5. **Encouraging the Development of Technology for Meet Needs of LDCs.**

Provide Design and Development Incentives for low-cost computing and communications devices for LDCs. These should include devices that can be used off the power grid, without a wired telecommunications infrastructure, and that operate on visual or verbal commands for low-literacy populations.

- a. **Centers of Excellence for Affordable IT:** Governments, foundations and the private sector could support the establishment of university-based "centers of excellence" that would conduct research and development on low cost devices, connectivity and applications to make IT widely available in low-income communities. Centers of excellence would be funded in both developed and developing country universities. Centers would also provide inter-disciplinary education and training at the intersection between IT and development.

Cost: \$5 million per center per year - \$50 million for 10 centers.

6. **Create "Development in the Information Age" Network**

- Participation from both developed and developing countries, and both government, private sector, foundations, and community-based organizations.
- World Bank secretariat, but not "owned" by the Bank.

- Has responsibility for creating "one stop shop" for readiness assessment, creating a forum for discussion and consensus-building on these issues, and collecting/disseminating best practices among developing countries.



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

CHIEF OF STAFF

May 17, 2000

MEMORANDUM FOR LAEL BRAINARD

FROM: AUDREY CHOI, COUNCIL OF ECONOMIC ADVISERS 
THOMAS KALIL, NATIONAL ECONOMIC COUNCIL 
SUBJECT: Proposed Private Sector/G-8 Initiatives for IT in Developing Countries

Background:

Wide-scale deployment of computers and the Internet can bring tremendous social and economic benefits to developing countries. Although certainly not a silver bullet for the enormous challenges faced by developing countries, it can be a powerful tool. Broader diffusion and greater utilization of the Internet could lead to the following kinds of benefits:

- Businesses in developing countries will be able to tap in to the rapidly growing electronic marketplace - which has been estimated to exceed \$7 trillion by 2004. Micro-enterprises in developing countries may be able to sell directly to customers in developed countries, significantly improving their margins.
- Developing country health professionals will be able to access the most recent medical literature.
- Students and adults in developing countries will be able to acquire new skills by accessing material that was previously unavailable.
- More political and civic organizations will be able to express their views using the Internet, and censorship and control over the flow of information will become increasingly difficult.
- Experts and practitioners in government agencies and NGOs who are seeking to find solutions to the same problems (e.g. public health, housing, rural development) will be able to form global "communities of interest."

Private sector leadership, investment and innovation have proven effective in spreading these technologies through major industrialized markets and some emerging markets. However, there are significant barriers to the broader diffusion of the Internet in developing countries:

- A hostile policy environment, such as exorbitant charges for leased lines charged by monopoly PTTs or high tariffs on information and communications products;
- Lack of infrastructure (reliable power grid, basic telecommunications infrastructure);
- Absence of people with the skills needed to deploy the Internet, develop Internet-based information services, or effectively use the Internet;
- Lack of IT products that are designed for the unique needs of developing countries;
- Difficulty in attracting private sector capital, especially for the poorest developing countries.

Goals:

G-8 should launch an initiative to promote the Internet and its applications in developing countries that would have the following as goals:

- Maximize contributions that IT can make to economic development in the poorest countries;
- Encourage countries to pursue policies that will enable the Internet and information technology to flourish (e.g. promoting competition and privatization in the telecommunications sector, avoiding restrictive licensing policies for Internet Service Providers, allocating spectrum for wireless services);
- Create incentives for the development of technologies to meet the unique needs of developing countries; and
- Ensuring that more people in developing countries have Information Age skills.

Specific Public and Private Sector initiatives

1. **Training Programs.** Human capacity to put in place the right regulatory system, and to build and sustain an IT revolution is critical. Training programs to support this goal should include:

a. Regulatory Training – providing expertise to enable developing countries to move toward transparent, pro-competitive regulatory regimes that will encourage private investment. G-8 Governments could commit to providing a series of regulator-to-regulator training seminars that would be conducted around the world, on a regional basis. This could build on existing efforts by the FCC and USTTI to provide regulators with education and training in policies that promote privatization, competition, and private sector investment.

b. Technical Training – providing technical experts (people who can manage national and regional networks, provide staff for Internet Service Providers, Internet content providers and

application developers. See: <http://www.isoc.org/inet98/ntw-report.shtml> for a model that could be scaled.

Cost: Assuming that travel and tuition for a one week workshop would be \$5000 per person. Training 4,000 developing country professionals would cost \$20 million/year. Private sector would provide in-kind contributions of equipment and trainers.

c. Applications Training -- Foundations and NGOs with experience in use of the Internet in specific application areas (i.e. telemedicine, micro-e-commerce, public health information, cultural preservation, etc.) could commit to partnering with G-8 and corporations to add application-specific training to regional conferences.

2. Expert Consultations – providing a corps of trained professionals from developed economies who would provide consultation and advice. These could help developing countries use tools like the IBM/Harvard University "readiness assessment."

a. IT Volunteers: G-8 countries could set a goal of collectively sending 5,000 private sector IT professionals from developed countries to spend a semester in developing countries. This would build on existing efforts such as the U.S. Government's Global Technology Corps; NetCorps Canada International and other efforts that currently help match private sector volunteers with projects that need it.

b. One-Stop Technical Assistance Shop – Establish central point of contact where developing countries with technical assistance questions could pose queries, which would be triaged and routed to appropriate experts who have volunteered to be email mentors. This could be modeled on the Virtual Reference Desk developed in domestic education technology efforts and the Y2K help center.

3. Encouraging the Development of Technology for Unique Needs of LDCs.

Provide Design and Development Incentives for low-cost computing and communications devices for LDCs. These should include devices that can be used off the power grid, without a wired telecommunications infrastructure, and that operate on visual or verbal commands for low-literacy populations.

a. Centers of Excellence for Affordable IT: Governments, foundations and the private sector could support the establishment of university-based "centers of excellence" that would conduct research and development on low cost devices, connectivity and applications to make IT widely available in low-income communities. Centers of excellence would be funded in both developed and developing country universities. Centers would also provide inter-disciplinary education and training at the intersection between IT and development.

Cost: \$5 million per center per year - \$50 million for 10 centers.

- b. **Awards Program.** Establish a prestigious awards program for the most innovative products, pilot projects, and business plans that would provide self-sustaining models of using the Internet for economic development in LDCs. Winning products and pilot projects would receive seed funding to be implemented. Business models could also be posted and made widely available to LDC entrepreneurs through training mechanisms described above.
- c. **Seed Capital for LDC Entrepreneurs.** For those developing countries who have made commitments to pursue pro-competitive GII policies, provide seed capital for indigenous entrepreneurs to start Internet and E-commerce enterprises. This would include start-up cash as well as business advice from IT and dot-com professionals.

4. Developing Content for Development.

Sponsor "digital libraries for development" in areas such as: Public health; Agriculture; Micro-enterprise and policies towards the informal sector; Education and training; and E-commerce and telecommunications policies in developing countries. Digital libraries could contain courseware, case studies, reference material, statistics, papers, etc. Also help support "communities of interest" through e-mail discussions and other forms of interaction between practitioners.

Cost: \$2 million/year per library.

5. Expand support for innovative applications of information and communications technologies that benefit developing countries

- Increase funding for World Bank's "InfoDev" program
- Increase funding for Internet for Economic Development Initiative. (USAID prepared to add up to 6-12 additional countries to initiative).
- Make IT integral part of infrastructure reconstruction efforts in countries like Mozambique that receive disaster relief assistance.

The private sector is recommending increasing funding of IT programs in multilateral institutions to \$500 million, and removing barriers to private sector participation in multilateral projects. It would be difficult to call for a specific number without knowing what the current level of investment is.

cc: David Beier
Elizabeth Echols

Draft June 6, 2000

Specific Public and Private Sector initiatives for Developing Countries

1. E-Commerce Readiness: + *Bert*

- a. **Readiness assessment:** Building on tools like the Harvard-IBM guide, all developing countries would be offered an assessment of their current readiness to embrace e-commerce and the information society. These assessments would look at metrics such as availability and cost of information and communications products and services, the availability of training, and the extent to which the policy environment helps or hinders the growth of IT adoption. Completing this assessment could be a condition to participating in some of the initiatives described below.
- b. **Regulatory Training** G-8 Governments could commit to providing a series of regulator-to-regulator training seminars that would be conducted around the world, on a regional basis. This would provide expertise to enable developing countries to move toward transparent, pro-competitive regulatory regimes that will encourage private investment. This could build on existing efforts by the FCC and USTTI to provide regulators with education and training in policies that promote privatization, competition, and private sector investment.

c. *Clearinghouse*

2. Human Capital for the Information Age.

- a. **Technical Training** – providing technical experts (people who can manage national and regional networks, provide staff for Internet Service Providers, Internet content providers and application developers. See: <http://www.isoc.org/inet98/ntw-report.shtml> for a model that could be scaled.

Cost: Assuming that travel and tuition for a one week workshop would be \$5000 per person. Training 4,000 developing country professionals would cost \$20 million/year. Private sector could provide in-kind contributions of equipment and trainers and development of curriculum.

- b. **IT Volunteers:** G-8 countries could set a goal of collectively sending 5,000 private sector IT professionals from developed countries to spend a semester in developing countries. This would build on existing efforts such as the U.S. Government's Global Technology Corps; NetCorps Canada International and other efforts that currently help match private sector volunteers with projects that need it.

3. Promotion of innovative applications of IT for developing countries

- a. **Applications Training** -- Foundations and NGOs with experience in use of the Internet in specific application areas (i.e. telemedicine, micro-e-commerce, public health information, cultural preservation, etc.) could commit to partnering with G-8 and corporations to add application-specific training to regional conferences.

*CDL
examples of
new stories*

- b. **Digital Libraries for Development:** Sponsor "digital libraries for development" in areas such as: Public health; Agriculture; Micro-enterprise and policies towards the informal sector; and education and training. Digital libraries could contain courseware, case studies, reference material, statistics, papers, etc. Also help support "communities of interest" through e-mail discussions and other forms of interaction between practitioners.

Cost: \$2 million/year per library.

- c. **Expand efforts of multilateral institutions to promote innovative applications:** Expand programs in multilateral institutions such as InfoDev.

4. **Encourage creation of IT businesses in developing countries**

- a. **Create venture funds and incubators:** Provide risk capital and managerial and technical assistance to IT businesses in developing countries.
- b. **Create "social venture" funds:** These funds would look at both the commercial and social rates of return, and might support projects that can be self-sustaining (e.g. community access centers that provide telephony and Internet access) -- but are unlikely to provide the huge potential "upside" (10x or more return from initial investment) that VC firms are looking for.

5. **Encouraging the Development of Technology for Meet Needs of LDCs.**

Provide Design and Development Incentives for low-cost computing and communications devices for LDCs. These should include devices that can be used off the power grid, without a wired telecommunications infrastructure, and that operate on visual or verbal commands for low-literacy populations.

- a. **Centers of Excellence for Affordable IT:** Governments, foundations and the private sector could support the establishment of university-based "centers of excellence" that would conduct research and development on low cost devices, connectivity and applications to make IT widely available in low-income communities. Centers of excellence would be funded in both developed and developing country universities. Centers would also provide inter-disciplinary education and training at the intersection between IT and development.

Cost: \$5 million per center per year - \$50 million for 10 centers.

6. **Create "Development in the Information Age" Network**

- Participation from both developed and developing countries, and both government, private sector, foundations, and community-based organizations.
- World Bank secretariat, but not "owned" by the Bank.

- Has responsibility for creating "one stop shop" for readiness assessment, creating a forum for discussion and consensus-building on these issues, and collecting/disseminating best practices among developing countries.



Lisa Barry
Vice President
International Public Policy
email: LisaBarry9@aol.com

June 23, 2000

Dear Loel-

Enclosed is a letter to President Clinton from
the GBBE CEOs on the upcoming 6-8 Summit
and the opportunity this affords to advance our
common agenda. We would appreciate it if you
could deliver to the President.

A similar letter is also being sent to the other
6-8 Heads of State to build global support for the
IT Summit activities.

We look forward to working with you to advance
these important goals. As you can see, our CEOs are
committed to action.

Respectfully,
LHA



Global Business Dialogues on Electronic Commerce

June 23, 2000

The Honorable William J. Clinton
The White House
Washington, D.C. 20500

Dear Mr. President:

One of the notable accomplishments of your Administration has been to help create the environment that has enabled the Internet, information technology and electronic commerce to flourish. The GBDe congratulates you on this noteworthy accomplishment.

The challenge we face collectively as we enter the Internet century is to ensure that the benefits of the Internet and the information technology revolution are more widely shared around the globe. At the upcoming G-8 Summit meeting in Okinawa in July, you and the other World Leaders have an exceptional opportunity to advance this critical goal. The Global Business Dialogue on E-Commerce, a worldwide, CEO-driven initiative to promote global policies to advance the growth of the medium, stands ready to help you in this effort.

We recommend that you utilize the upcoming G-8 meeting to advance a comprehensive global approach on information technology with four important components:

- I. Build greater global understanding of the importance of the medium in promoting not only economic goals, but in broadening a country's ability to advance its social and political agenda as well**
- II. Demonstrate G-8 leadership in embracing information technology by securing a commitment on the part of the G-8 countries to put in place the policy and regulatory environment to ensure that the medium can be available to consumers and businesses anywhere in the world**
- III. Develop a comprehensive digital opportunities program, involving all stakeholders, to ensure that every country can take advantage of the new digital opportunity afforded by the Internet and information technology**
- IV. Finally, secure a commitment of the G-8 countries to launch a public-private program to address the important issue of cyber crime and cyber security**

The GBDe recognizes that while private sector leadership has been critical to the growth of the medium to date, the success of this broader effort will require cooperation among all stakeholders. Our organization commits to the following initiatives to build a global information society:

- Expanding our efforts to build greater understanding of the power of the Internet and the promise of connecting individuals around the world.
- Continuing our intense focus on developing global and market-driven solutions to e-commerce policy issues and committing to work with governments from around the world to help them develop a policy, regulatory and legal framework to ensure the full growth of the medium.
- Committing our expertise to capitalize on global digital opportunities. Our CEOs include some of the most successful businessmen and women in this field and they commit to work with businesses, governments and other institutions to share their unique knowledge on the digital economy.
- Establishing a clearinghouse of specific programs and initiatives which GBDe member companies have put in place to ensure digital opportunities both within our home countries and globally. We will take our collective expertise in addressing the digital divide domestically and work with other stakeholders to develop programs for global application.

As we mentioned at the outset, the G-8 meeting provides a singularly important opportunity -- for the Leaders of the G-8 and for those who value the importance of developing a truly global medium that will benefit people around the globe. We look forward to an opportunity to meet with your team to further refine these ideas.

Kind Regards,



Steve Case
America Online



Gerald M. Levin
Time Warner



Michio Naruto
Fujitsu Limited



Jean-Marie Messier
Vivendi



Lee Yong-Kyung
Korea Telecom Freetel



Cobus Strofberg
MIH Group



Global Business Dialogue on Electronic Commerce

**Statement of the Global Business Dialogue on E-Commerce
Information Technology and the G-8 Summit in Okinawa**

The emergence of the online medium has dramatically changed the ways that people live, learn and work. The explosive growth of the Internet and related information technologies is yielding enormous economic benefits in terms of higher economic growth rates, productivity gains and new job creation. As a social force, the medium is linking people across geographic and socioeconomic boundaries, creating new opportunities for learning and empowering governments to more effectively deliver public services to their citizens.

One of the critical challenges we face as we enter the new century is to ensure that the benefits of the Internet and the information technology revolution are more widely shared around the globe. The upcoming G-8 summit meeting in Okinawa provides a unique opportunity for this group of World Leaders to begin to articulate a plan of action to help bring the enormous opportunities provided by information technology to all countries.

The Global Business Dialogue on E-Commerce, a worldwide CEO-driven initiative to strengthen international coordination in the development of policies to promote global electronic commerce, stands ready to participate in this effort.

In developing a global framework to facilitate the global diffusion of information technology, the GBDe recommends that the G-8 focus on four critical areas.

I. Build greater global understanding of the importance of the medium in promoting not only economic goals, but in broadening a country's ability to advance its social and political agenda as well. The economic benefits of electronic commerce are becoming well understood, but the broader benefits of an Internet society are only now becoming more apparent. For example, information technology can have a profound impact on public health and education, and it can be used to promote local language and values even as it makes information from other cultures more readily accessible. A number of developing countries have made important strides in adapting advanced communications to local needs, and these examples should be highlighted by the G-8.

II. Demonstrate G-8 leadership in embracing information technology by securing a commitment on the part of the G-8 countries to put in place the policy and regulatory environment to ensure that the medium can be available to

consumers and businesses anywhere in the world. The GBDe has outlined the policy framework needed to ensure the continued explosive growth of information technology in a way that serves the interests of all key stakeholders, including consumers. The G-8 countries should take steps to adopt these policies at global, regional and country-specific levels. These include:

- **Market-led, pro-competitive policies to facilitate establishment of high-speed interoperable video, voice and data networks embracing all types of communications to enable global, borderless electronic commerce that enables more citizens to access the internet.** This should include ensuring fair and equitable interconnection rules, correcting unequal treatment and subsidies, encouraging investment in infrastructure development, and reducing or eliminating foreign investment restrictions and other entry constraints. The WTO should continue to advance broadband infrastructure and service deployment. Minimal regulation should be employed until effective competition has been established. To advance interoperability, international, open and market driven standards should be developed by expert, multinational private sector bodies.
- **Elimination of roadblocks to the development of e-commerce through proactive liberalization of trade in key activities involved in the e-commerce value chain, reductions in tariff and nontariff barriers to trade in hardware and software and content and establishment of a WTO work program on e-commerce.**
- **Strengthened intellectual property protection mechanisms** to facilitate the development of rich multimedia digital content, including rapid ratification and enforcement of the WIPO Copyright and Performances and Phonograms treaties, the promotion of technological innovation and the establishment of workable liability rules; full, faithful and prompt implementation of the TRIPs agreement and the harmonization of IPR protection worldwide.
- **Development and implementation of tax systems for the networked economy that involve government-industry collaboration with the goal of balancing the objectives of stimulating the digital marketplace and addressing government's legitimate need to fund public services.** These tax systems should be based upon the principles of neutrality, simplicity, fairness, enforceability and technological efficiency and international coordination and consistency.
- **Creation of a legal and policy environment that enables the private sector to continue its efforts to build high consumer confidence in the online medium.** This should include promoting business-led initiatives to develop effective, reliable and affordable trustmark programs, including alternative dispute resolution mechanisms, that will encourage sound business practices by online merchants, ensure comparable levels of protection across national boundaries and assist consumers in identifying merchants they can trust. Such programs should require minimum standards of behavior in key areas such as online business practices, fair information (privacy) practices and effective handling of customer complaints,

including recourse for consumers to neutral, third party dispute resolution as an alternative to court proceedings. **Governments should avoid standardization of these initiatives through regulation or compulsory accreditation, in favor of encouraging a competitive market for reliable trustmark programs and ADR services to ensure they remain innovative, flexible and easily tailored to specific local, consumer and business requirements in different countries and regions.**

III. Develop a comprehensive digital opportunities program, involving all stakeholders, to ensure that every country can take advantage of the new digital opportunity afforded by the Internet and information technology. The G-8 should launch a comprehensive program designed to help any country that seeks to embrace the online medium – and is willing to put the appropriate policies in place – to obtain access to technical, financial, and managerial resources required to meet its particular economic, social and political goals. This will require a new coordinating mechanism as well as the commitment of all stakeholders – including governments, multilateral institutions, business, non-government organizations, foundations, and the academic community – to participate in this initiative. The central principles guiding the effort should include:

- **Each country must tailor its own program.** The Internet is a global network, but it must serve local needs and aspirations. The online medium can and should be used to help people to promote their cultural and linguistic heritage even as it helps break down barriers to economic and intellectual exchange.
- **Infrastructure is critical.** The best Internet content and services cannot reach ordinary people without communications platforms and devices that are capable of providing access at a reasonable cost. The availability and cost of communications infrastructure is a critical roadblock to greater Internet usage in many countries. Competition among network providers enabled by telecommunications liberalization, combined with falling costs of information technology and advances in network technologies such as fixed and mobile wireless, can help to overcome this barrier.
- **The policy and regulatory environment must facilitate Internet adoption.** Public policy and regulatory decisions are critical to the ability of businesses and individuals to incorporate information technology into their lives. In the absence of a predictable and transparent policy and regulatory environment, capital markets, businesses and multilateral lending institutions will be reluctant to participate in local economies.
- **Societies must understand how to use the tools of the new economy.** The success of information technology in any country depends upon the understanding and active participation of people who stand to benefit. This may require new educational initiatives undertaken through both traditional and nontraditional institutions.

The GBDe recognizes that success will require sustained private sector leadership and involvement. The GBDe commits to the following initiatives to support a new G-8 program:

- **Expanding our efforts to build greater understanding of the power of the Internet and the promise of connecting individuals around the world.** The GBDe is involved in an extensive outreach program to build greater understanding of the medium. The GBDe's annual conference in Miami in September provides an opportunity to bring together stakeholders from around the world to discuss how to best capture the benefits of the online medium in a variety of developing countries.
- **Continuing our intense focus on developing global and market-driven solutions to e-commerce policy issues and committing to work with governments from around the world to help them develop a policy, regulatory and legal framework to ensure the full growth of the medium.** The GBDe has developed a concrete set of recommendations for the type of optimal policy/regulatory environment to facilitate the development of an e-friendly society. The GBDe has instituted a formal dialogue with the governments of Europe, the Americas and many Asian countries to build support for this policy/regulatory framework. Dialogue is also underway with leaders in the ASEAN region, the Middle East and Africa to help these countries shape an environment that encourages the growth of the Internet and e-commerce. The GBDe welcomes an opportunity to extend this dialogue to other governments.
- **Committing our expertise to capitalize on global digital opportunities.** Our CEOs include some of the most successful leaders in communications technology and electronic media and commerce. These men and women are committed to working with governments, foundations, other businesses, and multilateral institutions to share their unique knowledge of the digital economy.
- **Establishing a clearinghouse of specific programs and initiatives which GBDe member companies have put in place to ensure digital opportunities both within our home countries and globally.** The GBDe will take its collective experience in addressing digital divide issues and work with other stakeholders to develop programs for global application.

IV. Finally, secure a commitment of the G-8 countries to launch a public-private program to address the important issue of cyber crime and cyber security. Through the use of information technology, innovative applications and global networks, companies are developing new business models to create, market, distribute and sell products and services at ever more competitive prices. However, the open and interconnected nature of the Internet also involves risks and vulnerabilities, including major economic damage when the underlying information infrastructure is targeted by illegal activity.

The problems caused by recent incidents such as denial of service attacks on e-commerce sites and viruses have highlighted the need for a more resilient and secure Internet. The GBDe is preparing detailed recommendations on cyber security and cyber crime to be delivered to all governments at the annual GBDe conference in Miami in September

2000. However, the GBDe has already identified the following principles for consideration at the G-8 meeting.

Because the Internet is a global medium, that does not recognize national boundaries, information security must be pursued on a global basis. The nature of cyber crime and critical infrastructure threats require on-going commitment, action, and cooperation of industry and governments worldwide.

Businesses generally own and operate the global information infrastructure and, as such, have primary authority and responsibility for information security requirements, design, implementation, and protective measures. However, industry should cooperate, company-to-company and with governments in reporting and exchanging non-proprietary information concerning threats, attacks, vulnerabilities, protective measures and best practices, while adhering to laws regarding the disclosure of personal data.

The GBDe supports and encourages businesses in all industry sectors and in all regions to establish information sharing *mechanisms*, which should be voluntary, industry-led, and may be virtual, as determined by the industry stakeholders in each sector or region.

The GBDe recommends that greater emphasis and investment be given by governments to future R&D to create robust security technologies for the future. The GBDe also recommends that national governments focus greater attention on the critical shortage of skilled workers that currently exist, especially in the information security area.

Most importantly, the GBDe supports cooperation and partnership in working with governments to make the Internet a safe, reliable and crime free medium for all citizens.



Global Business Dialogue on Electronic Commerce

The GBDe, Answering the Challenges of the Emerging Online Economy

The Global Business Dialogue on Electronic Commerce (GBDe) is a worldwide initiative, driven by over 60 CEOs and Members of Boards, to strengthen international coordination in the development of policies that will promote global electronic commerce for the benefit of business and consumers everywhere. It has served as a vehicle for industry throughout the world to discuss, debate and forge consensus on the policies needed to foster e-commerce, and to begin to communicate those consensus views to governments, business and non-governmental organizations.

Founded in January 1999, in its first year the GBDe identified and shaped global industry consensus on principles critical to the development of the electronic marketplace. That consensus was predicated on predominantly self-regulatory, market-driven policy approaches, with acknowledgement of the need for regulation in certain areas. That consensus extended to recommendations regarding the respective responsibilities of government and industry for executing those policy approaches.

The GBDe's first global conference, held in September in Paris just eight months after its launch, proved an important milestone. It created an unprecedented forum for governments and industry leaders worldwide to exchange views on the consensus recommendations presented by the GBDe, and to develop a forward-looking working relationship between the private and public sectors. The GBDe anticipates that this relationship is a critical component in achieving our shared objectives in the development of an open and competitive global system of electronic commerce.

The GBDe looks forward to its second major conference, to be held in Miami this September, to further advance its conversation with governments and key stakeholders on issues such as consumer confidence, trade and intellectual property rights. In addition, the GBDe will add its voice to significant issues such as the global digital divide and cyber security.



Lisa Barry
Vice President
International Public Policy
email: LisaBarry9@aol.com

June 23, 2000

Dear Lael-

Enclosed is a letter to President Clinton from
the G8 CEOs on the upcoming 6-8 Summit
and the opportunity this affords to advance our
common agenda. We would appreciate it if you
could deliver to the President.

A similar letter is also being sent to the other
6-8 Heads of State to build global support for the
IT Summit activities.

We look forward to working with you to advance
these important goals. As you can see, our CEOs are
committed to action.

Respectfully,
LNA

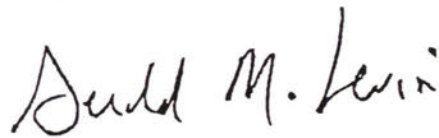
- Expanding our efforts to build greater understanding of the power of the Internet and the promise of connecting individuals around the world.
- Continuing our intense focus on developing global and market-driven solutions to e-commerce policy issues and committing to work with governments from around the world to help them develop a policy, regulatory and legal framework to ensure the full growth of the medium.
- Committing our expertise to capitalize on global digital opportunities. Our CEOs include some of the most successful businessmen and women in this field and they commit to work with businesses, governments and other institutions to share their unique knowledge on the digital economy.
- Establishing a clearinghouse of specific programs and initiatives which GBDe member companies have put in place to ensure digital opportunities both within our home countries and globally. We will take our collective expertise in addressing the digital divide domestically and work with other stakeholders to develop programs for global application.

As we mentioned at the outset, the G-8 meeting provides a singularly important opportunity -- for the Leaders of the G-8 and for those who value the importance of developing a truly global medium that will benefit people around the globe. We look forward to an opportunity to meet with your team to further refine these ideas.

Kind Regards,



Steve Case
America Online



Gerald M. Levin
Time Warner



Michio Naruto
Fujitsu Limited



Jean-Marie Messier
Vivendi



Lee Yong-Kyung
Korea Telecom Freetel



Cobus Stroffberg
MIH Group

consumers and businesses anywhere in the world. The GBDe has outlined the policy framework needed to ensure the continued explosive growth of information technology in a way that serves the interests of all key stakeholders, including consumers. The G-8 countries should take steps to adopt these policies at global, regional and country-specific levels. These include:

- **Market-led, pro-competitive policies to facilitate establishment of high-speed interoperable video, voice and data networks embracing all types of communications to enable global, borderless electronic commerce that enables more citizens to access the internet.** This should include ensuring fair and equitable interconnection rules, correcting unequal treatment and subsidies, encouraging investment in infrastructure development, and reducing or eliminating foreign investment restrictions and other entry constraints. The WTO should continue to advance broadband infrastructure and service deployment. Minimal regulation should be employed until effective competition has been established. To advance interoperability, international, open and market driven standards should be developed by expert, multinational private sector bodies.
- **Elimination of roadblocks to the development of e-commerce through proactive liberalization of trade in key activities involved in the e-commerce value chain, reductions in tariff and nontariff barriers to trade in hardware and software and content and establishment of a WTO work program on e-commerce.**
- **Strengthened intellectual property protection mechanisms** to facilitate the development of rich multimedia digital content, including rapid ratification and enforcement of the WIPO Copyright and Performances and Phonograms treaties, the promotion of technological innovation and the establishment of workable liability rules; full, faithful and prompt implementation of the TRIPs agreement and the harmonization of IPR protection worldwide.
- **Development and implementation of tax systems for the networked economy that involve government-industry collaboration with the goal of balancing the objectives of stimulating the digital marketplace and addressing government's legitimate need to fund public services.** These tax systems should be based upon the principles of neutrality, simplicity, fairness, enforceability and technological efficiency and international coordination and consistency.
- **Creation of a legal and policy environment that enables the private sector to continue its efforts to build high consumer confidence in the online medium.** This should include promoting business-led initiatives to develop effective, reliable and affordable trustmark programs, including alternative dispute resolution mechanisms, that will encourage sound business practices by online merchants, ensure comparable levels of protection across national boundaries and assist consumers in identifying merchants they can trust. Such programs should require minimum standards of behavior in key areas such as online business practices, fair information (privacy) practices and effective handling of customer complaints,

- **Expanding our efforts to build greater understanding of the power of the Internet and the promise of connecting individuals around the world.** The GBDe is involved in an extensive outreach program to build greater understanding of the medium. The GBDe's annual conference in Miami in September provides an opportunity to bring together stakeholders from around the world to discuss how to best capture the benefits of the online medium in a variety of developing countries.
- **Continuing our intense focus on developing global and market-driven solutions to e-commerce policy issues and committing to work with governments from around the world to help them develop a policy, regulatory and legal framework to ensure the full growth of the medium.** The GBDe has developed a concrete set of recommendations for the type of optimal policy/regulatory environment to facilitate the development of an e-friendly society. The GBDe has instituted a formal dialogue with the governments of Europe, the Americas and many Asian countries to build support for this policy/regulatory framework. Dialogue is also underway with leaders in the ASEAN region, the Middle East and Africa to help these countries shape an environment that encourages the growth of the Internet and e-commerce. The GBDe welcomes an opportunity to extend this dialogue to other governments.
- **Committing our expertise to capitalize on global digital opportunities.** Our CEOs include some of the most successful leaders in communications technology and electronic media and commerce. These men and women are committed to working with governments, foundations, other businesses, and multilateral institutions to share their unique knowledge of the digital economy.
- **Establishing a clearinghouse of specific programs and initiatives which GBDe member companies have put in place to ensure digital opportunities both within our home countries and globally.** The GBDe will take its collective experience in addressing digital divide issues and work with other stakeholders to develop programs for global application.

IV. Finally, secure a commitment of the G-8 countries to launch a public-private program to address the important issue of cyber crime and cyber security. Through the use of information technology, innovative applications and global networks, companies are developing new business models to create, market, distribute and sell products and services at ever more competitive prices. However, the open and interconnected nature of the Internet also involves risks and vulnerabilities, including major economic damage when the underlying information infrastructure is targeted by illegal activity.

The problems caused by recent incidents such as denial of service attacks on e-commerce sites and viruses have highlighted the need for a more resilient and secure Internet. The GBDe is preparing detailed recommendations on cyber security and cyber crime to be delivered to all governments at the annual GBDe conference in Miami in September



Global Business Dialogue on Electronic Commerce

The GBDe, Answering the Challenges of the Emerging Online Economy

The Global Business Dialogue on Electronic Commerce (GBDe) is a worldwide initiative, driven by over 60 CEOs and Members of Boards, to strengthen international coordination in the development of policies that will promote global electronic commerce for the benefit of business and consumers everywhere. It has served as a vehicle for industry throughout the world to discuss, debate and forge consensus on the policies needed to foster e-commerce, and to begin to communicate those consensus views to governments, business and non-governmental organizations.

Founded in January 1999, in its first year the GBDe identified and shaped global industry consensus on principles critical to the development of the electronic marketplace. That consensus was predicated on predominantly self-regulatory, market-driven policy approaches, with acknowledgement of the need for regulation in certain areas. That consensus extended to recommendations regarding the respective responsibilities of government and industry for executing those policy approaches.

The GBDe's first global conference, held in September in Paris just eight months after its launch, proved an important milestone. It created an unprecedented forum for governments and industry leaders worldwide to exchange views on the consensus recommendations presented by the GBDe, and to develop a forward-looking working relationship between the private and public sectors. The GBDe anticipates that this relationship is a critical component in achieving our shared objectives in the development of an open and competitive global system of electronic commerce.

The GBDe looks forward to its second major conference, to be held in Miami this September, to further advance its conversation with governments and key stakeholders on issues such as consumer confidence, trade and intellectual property rights. In addition, the GBDe will add its voice to significant issues such as the global digital divide and cyber security.

www.gbde.org

PRIVATE SECTOR PAPER

A Framework to Ensure the Global Diffusion of Internet/New Economy

The growth of information technology in the last few decades has sparked rapid economic growth in developed countries and is changing the way people live, learn and work. One of the principal challenges facing the global community is to ensure that advanced information technologies and applications – and the attendant economic, social and political benefits – are spread throughout the world. Many developing countries have a strong interest in the Internet and electronic commerce but several challenges in these countries must be addressed in order to fulfill the potential of the medium. This presents the global community with a distinct opportunity to ensure that the internet, information technology and electronic commerce become the solution to closing what some have already begun to characterize as a global digital divide. To be effective, all stakeholders –including the G-8, developing countries, multilateral institutions, the global business community, and foundations – must work together on a new framework for action to ensure that the benefits of the internet are widely shared around the globe.

Goal

Ensure that every country -- at any level of development -- understands how information technology, the Internet, and electronic commerce can advance its social, economic and political goals and that any country that wants to welcome the growth of information technology will have access to financial, technical and policy support from the key stakeholders.

Overarching Principles to Guide the Effort

Success depends on the active participation of all "stakeholders." Private sector leadership has been critical to the rapid adoption of Internet services and information technology in the United States and other developed countries. In order to make the Internet a truly global medium, however, a new set of challenges must be addressed. The issues which differ among countries and regions include establishment of an appropriate communications infrastructure and ensuring access to that infrastructure both from a cost and device basis; creation of a suitable legal, policy and regulatory environment; ensuring appropriate distribution channels and fulfillment mechanisms, and creation of effective payments mechanisms; educating the society to facilitate the more rapid adoption of the medium and related technologies; among other things. Addressing these issues will require the active involvement of governments, multilateral lending institutions, non-governmental organizations, and the private sector.

The appropriate role of each key stakeholder will have to be identified, and *the stakeholders must exercise leadership -- both in the process of identifying their respective roles and in executing their responsibilities once their roles are identified.*

One size does not fit all. The obstacles to rapid diffusion of the Internet, information technology, and electronic commerce will vary dramatically among regions and countries (and in many cases within a single country). It will be important for countries to understand not only how effective the internet can be in advancing their national agendas, but to appreciate the strengths and weaknesses of their system in adopting the medium. Tools such as the APEC “readiness index” may be useful as countries review the challenges they face in facilitating deployment and adoption of information technology, yet the very process of self-assessment requires a sound understanding of how to use these tools as well as an acknowledgement that training and institution building may be important beginnings.

Global communications technology must meet local needs. While the Internet is a global medium, it must serve local needs and aspirations. Indeed, one of the Internet’s most powerful features is its ability to unite individuals with shared interests and values. The online medium must be used to help the people of developing countries to preserve their cultural and linguistic heritage even as it helps break down barriers to economic and intellectual exchange. In addition, Internet content and services must be adapted to help meet basic development goals, such as improved education and public health.

Infrastructure is critical. The best Internet content and services cannot reach the citizens of developing countries without communications platforms and devices that are capable of providing access to the online medium at a reasonable cost. The availability and cost of communications infrastructure is a critical roadblock to the Internet in many countries. With legacy telecommunications networks (based on fixed, circuit-switched technology), low levels of telephone and personal computer penetration (particularly in rural areas), and few technical resources available, many developing countries require innovative alternatives to the model of Internet adoption that has succeeded in developed countries.

Creative use of existing telecommunications infrastructure combined with investments in new means of delivery – terrestrial wireless, satellites, etc. – could help leapfrog the most time-consuming and capital-intensive aspects of providing access to global communications networks. In places where educational institutions or government offices are connected, these places could be the starting points for extending access to broader groups of people and businesses. In addition, community centers or other centralized public access points may facilitate access while avoiding the need for massive infrastructure deployment.

The policy and regulatory environment must facilitate Internet adoption. Public policy and regulation must take account of the need to encourage businesses and individuals to incorporate networked information technology into every aspect of their activities. The policy agenda should be comprehensive, covering roadblocks in the e-commerce value chain (addressing trade barriers and liberalizing key service sectors such as banking and express delivery), harmonized rights and responsibilities for content, and consumer confidence (including privacy and consumer protection law) as well as

fundamental issues such as network security. An appropriate regulatory framework is especially critical in the area of telecommunications policy.

Educating society on how to adapt the new economy principles is critical. To take full advantage of the e-society, members of the society must understand how to use the technology and make it relevant to the local challenges and opportunities.

The strategy

Identify the critical functional issues that must be addressed. Creating the communications architecture, institution building, education and community building, and the policy and regulatory framework are all essential elements of a comprehensive approach to the problem.

Involve all of the key stakeholders and identify their contributions (both current and proposed). These stakeholders include multilateral institutions, NGO's, foundations, for-profit entities, and national governments.

Create a coordination mechanism among the stakeholders to obtain optimum leverage of existing efforts and maximize opportunities for leadership. Developing countries also should be included as partners in the coordination process and those countries that have identified means for developing countries to participate in the growth of information technology should serve as models for the world.

Develop a plan for execution with explicit targets in developing countries.

Specific proposals to implement the strategy

The G-8 should call for creation of a "Digital Development Opportunity Coordinating Committee." The DDOCC, a web-based organization, would identify the key roles of the stakeholders in addressing the digital diffusion challenge and coordinate efforts by all stakeholders to narrow the digital divide and increase global information technology opportunities to the developing world. It would include representatives of multilateral institutions (such as the World Bank, UN, and WTO), the G-8, developing countries (such as e-ASEAN's Bobby Romulo or other leaders), foundations, and for-profit corporations. This should not be an on-going additional bureaucracy, but rather a temporary committee and process to create aggressive action on the part of participants. A priority for the DDOCC should be **increased funding for expanding activity on Internet-related projects by multilateral institutions.** Existing programs should be evaluated under the supervision of the DDOC, and the G-8 nations should agree to increase funding for such programs that are shown to be successful by \$500 million in 2001. Within six months of formation, the DDOC should identify programs sponsored by multilateral institutions, governments and the private sector that successfully provide (1) training (2) hardware, and (3) financial support to developing countries. An additional priority should be to call on business to develop satellite wireless access in rural regions of the world, which make up 70% of the developing world. In studying programs

designed to distribute used computer equipment, for example, the DDOC may want to consider how to coordinate contributions to ensure that equipment can be readily used and maintained.

The G-8 should recommend creation of a major internet/e-commerce readiness program so that developing countries could determine what type of programs/plans they need to put in place to take full advantage of the internet and information technology. Every country that has an interest should have access to and training to implement a "readiness" assessment and a readiness program. The basis for this program could be the readiness index that IBM has developed with Harvard University. The foundation community and the private sector should commit to working with interested countries to ensure that the readiness assessments can be undertaken and that countries can develop an program designed to advance the particular economic, social and political goals of that country. The key to success will be forcefully demonstrating that countries can use the internet to reinforce local cultures and values, strengthen local businesses and enhance economic objectives. Key elements include: support and distribution for indigenous content, including finding placement opportunities in the international portals; full integration of internet and technology assistance into economic development programs; a focus on micro-enterprise; and assistance in integrating the Internet into existing industrial, manufacturing and agricultural businesses of developing countries.

The G-8 should launch a major new telecommunications/communications program to ensure that every nation can be connected within a specific timetable. This will require a four-part initiative: (1) educating developing countries about the type of communications infrastructure that is required to ensure broad connection to the internet; (2) working with developing countries and the private sector to develop the communications platforms (in some instances through the provision of multilateral funding resources which should be directed toward this critical enterprise) -- particular focus should be placed on linking rural populations through new communications technologies so that the lack of land-lines does not become a major obstacle to the diffusion of the medium; heightened attention should be placed on exploring how satellite technology could be developed for lower-cost, easy to use communications kiosks that could be installed in rural towns and villages and provided shared voice and data services; (3) informing countries about the policy and regulatory options to provide low-cost connections so that more members of society can be connected; and (4) undertaking exploration within the academic, foundation community and private sector on new devices to ensure broader access to the medium at an affordable price -- governments should consider incentives to facilitate the development of these new technologies (e.g., R&D tax credit).

The G-8 should call for establishment of Internet incubators to allow those with the potential to create new technology and Internet related businesses in developing countries to have access to the know-how and capital they need. With the exception of a very few countries, most countries of the world have the talent, entrepreneurial or professional skills, to develop local businesses that can participate in the Internet economy and create jobs at home. Bringing technology to the countries of the world

cannot mean only extending what is created in G-8 countries to the developing world. Therefore, incubators –either located regionally in the developing world, or located in centers of technological excellence around the world – can provide those from the developing world with the opportunity to get the skills and access to engineering talent, business models and capital (public and private) they need to create businesses for their own countries. These incubators can provide one-stop shopping for all the skill and resource development needed, including introduction to the policy issues that can determine whether businesses thrive or fail to compete. The incubators can also test the feasibility of applying new technology to developmental challenges in ways that also may have potential commercial application. Involvement of the private sector, including both for-profit companies and foundations, is essential. Any incubator program should include components devoted to (1) developing entrepreneurial and financial skills needed to manage and grow technology businesses and (2) providing the technical background for Internet applications and services.

The Internet training currently run by the Internet Society should be coordinated with these incubators, with the private sector and multilaterals making specific training commitments. In addition, private sector entities interested in distance learning and health care should consider how to extend their activities to the developing world.

The G-8 should ask multilateral institutions to establish “portals” to facilitate private sector engagement in their work on information technology. These portals would be intended to encourage a dialogue toward improved understanding among these entities with respect to the work of the multilaterals and how it relates to the culture, entrepreneurial climate and practices of recipient countries.

The G-8 should publicly commend and highlight those countries and regions that have taken concrete steps to establish an Internet-friendly regulatory and policy environment. Role models for the Internet and e-commerce in the developing world will be crucial to persuade other countries that they can share in the benefits of the new economy. Candidates to be showcased include ASEAN (and its e-ASEAN project), Egypt, Chile, and Argentina.

The G-8 should highlight the role of the private sector (NGO's and business) in helping countries develop and promulgate policy/regulatory steps to create an environment that allows the development of digital opportunities. A non-profit organization should be established that can provide leadership and direct countries to resources. Organizations such as The Global Business Dialogue on E-Commerce, the American Bar Association, academics and other private sector NGO and business groups should be organized to make available their expertise on policy and regulatory issues affecting the development of information technology. Exchange programs for academics and government officials should be organized to expand understanding of the interests of the developed and developing world in policy decisions, local and global, and work of business groups to help developing country governments shared with others as potential models.

The G-8 should look at whether there are structural impediments that should be removed to more active participation of the private sector in multilateral projects to accommodate public-private partnerships. The rules of these institutions effect private sector involvement. Public-private partnerships are important to achieve the necessary sustained commitment to increasing digital opportunities within a developmental context. The UNDP/Cisco joint project on NetAid and the World Bank/SoftBank projects can serve as a starting point for developing ways in which multilateral institutions can work with the private sector on digital issues relating to the new economy.

The G-8 should call for expansion of existing policy, regulatory, and e-commerce technical training programs that have demonstrated success and attracted broad interest. For instance, the U.S. business community (AOL, Cisco, and major telecommunications carriers) should be encouraged to continue its work with the FCC to develop a model for foreign regulators to use as they develop telecommunications regimes that encourage Internet adoption, usage, and competition. In addition, businesses should build on their work in organizations such as the U.S. Telecommunications Training Institute to educate foreign regulators about our regulatory framework and how they might adapt the lessons we have learned to speed the availability of new services. Businesses should adapt domestic educational efforts such as the AOL @ School program to developing countries in order to help non-specialists gain access to technology.



EUROPEAN COMMISSION
Office of the President

The Diplomatic Advisor

Brussels, 27 March 2000

In my January letter I suggested launching a G8 eDevelopment initiative at the Okinawa Summit. I also promised more ideas on this for our April Sherpa meeting immediately after the European Summit in Lisbon. In the meantime your Presidency has presented an issue paper calling for a "digital undivided initiative", which the Commission very much welcomes. Other partners have also endorsed the idea of an IT development initiative, so I believe we have the necessary degree of consensus to move forward politically in Okinawa.

Before I go into IT-specific issues, let me make one general remark. We view this initiative as a component of the overall development dossier to be dealt by the G8 (health, trade and development, poverty focus, HIPC, eDevelopment). In our view all of them have to be clearly focused on the priority for development, which is the focus on poverty, and have to be seen as complementary to each other.

Turning to the eDevelopment initiative, we fully agree with your analysis that social inclusion should be a key focus of public policy action, as it is in our "eEurope" initiative. For Okinawa we should concentrate on the North-South digital divide. As you propose, we should set up an action plan whose implementation would be monitored and driven forward by the G8. It would be essential to associate key developing countries with this as early as possible and to engage rapidly in a substantial dialogue on IT development with them.

As I pointed out earlier, after Seattle North-South relations need a boost. A reversal of the downward trend in official development assistance seems underway. The G8 now needs to send a positive message on the importance of development following the conclusions from Cologne. IT is one of the sectors where well targeted official development assistance can leverage private sector investment by creating a viable policy and institutional environment.

Since information lies at the core of the *New Economy*, promoting a better inclusion of developing countries in this field would send a strong signal that the North wants to engage in a true economic partnership with developing countries. The European Union's eEurope initiative is an important example for developing digital economic concepts and social inclusion. The same principles should apply to bringing developing countries into the New Economy. Proper investment incentives and regulatory structures are key factors for any developing country to emerge from poverty. IT development therefore can play a complementary part in an overall strategy for poverty alleviation.

Rue de la Loi 200, B-1049 Bruxelles/Wetstraat 200, B-1049 Brussel - Belgium - Office:
Telephone: direct line (+32-2)2956352, switchboard 299.11.11. Fax: 2965009.
Telex: COMEU B 21877. Telegraphic address: COMEUR Brussels.

Internet: Armando.Varricchio@cec.eu.int

The Initiative should communicate to the developing world that we are ready to seriously engage in IT and development in a new spirit of partnership. For this it will be vital to have a consistent follow-up under the Italian Presidency in 2001. While no new institutions should be created, the initiative should provide a more coherent and focussed framework for existing structures, projects and particularly reinforce coordination mechanisms. We should encourage benchmarking, setting political targets and dates and the identification of best practice to sharpen the policy objectives to generate momentum. We should aim together to increase the efficiency of development aid by better use of advanced information technology and helping ensure their diffusion through all sectors of the economy. Additionally developing countries should be encouraged to enhance South-South and regional cooperation on IT.

Our political effort should be used to leverage private sector involvement and to spur foreign direct investment. The G8 Okinawa Initiative should create a strategic framework for a public-private partnership on eDevelopment. The great majority of the funding required needs to come from the private sector, while public funding would concentrate on helping define appropriate legislative frameworks and measures for social inclusiveness, which the market cannot determine.

In the communiqué we should state that effective private sector involvement will be essential to tackle the North-South digital divide. The G8 could bring real added value if we succeed in convincing business to take part. We therefore fully endorse your proposal of creating an eminent business leaders group and involving it in the preparations for the Okinawa Summit. This group should be created as soon as possible. It might also be possible to create synergies with existing private sector initiatives such as the World Economic Forum's "digital divide 2000", the Global Business Dialogue on e-commerce or the global knowledge partnership.

We propose to call the initiative "eDevelopment" in order make clear that the emphasis is on the development dimension. At any rate the name of the initiative should contain a positive message. As far as substance is concerned we should agree on a number of basic principles, process, objectives and follow up. The action plan you suggest could take the form of an attachment to the communiqué. For this we need to identify the priorities for action and strategies for implementation, involving a whole range of stakeholders in the process.

We suggest creating mixed working groups on a limited number of priorities identified in Okinawa. Each working group could be co-ordinated by a competent international organisation already active in the field. Such groups could bring together not only government officials, but also representatives of the eminent business leaders (from developed and developing countries) involved in the preparations of the Okinawa Summit and NGOs with specific specialist knowledge. Both the private and public sectors of emerging economies and least developed countries should take part. These groups should get a specific mandate limited in time. A part of the work could also be done via video/audio conferences and the Internet. Overall coordination could be ensured by a steering group comprising representatives from G8 members, key developing countries and the organisations in charge of the working groups. Stocktaking by G8 Foreign Affairs Sous-Sherpas should be undertaken towards the end of the Japanese Presidency. Ideas brought up in this process could be discussed and possibly confirmed under the Italian Presidency in a joint G8/developing country forum.

In line with my letter from January, but also with the proposals made in the Japanese issue paper, I suggest the following fields of action for the initiative:

- Infrastructure, improving connectivity: assessment of IT infrastructure (including mobile IT technology, satellites, internet...) needs in developing countries; elaboration of possible synergies with the private sector; coordination of public donors; elaboration of a public-private initiative for developing country connectivity to support widening access; participation of representatives of the eminent business leaders would be of particular importance. This group could possibly be co-ordinated by the World Bank, including the IFC.
- Provision of basic social services, human and community development: research best practice models for the use of IT in education, health services and good governance and propose strategies and targets for their implementation. Active contributions from NGOs should be obtained. This group might be co-ordinated by the UNDP (with thematic input from other UN agencies such as the WHO, ILO, UNESCO).
- Developing market friendly policies, ensuring policy coherence: analyse and determine developing country best practice in IT regulation to encourage competition, better market access, inward foreign investment, electronic commerce and workforce adaptations and propose implementation strategies. This could be co-ordinated by the ITU-D in cooperation with the WTO.

If we decide to launch such an initiative in Okinawa, I emphasise again, we must agree on the follow up under Italian Presidency. We should consider which process would be appropriate to identify, consult and co-opt key non-G8 partners, whether from the private sector or developing countries.

The European Commission remains fully prepared to play a leading role in getting our development initiative underway.

John *Miner*

Armando
Armando Varicchio

Pence, Constance A.

To: Sharon Yuan
Subject: EU's IT for Development paper/Comments

Below sent to NEC Sharon Yuan for use by Lael Brainard in discussing the EC's paper ~~and~~

The following basic comments apply to the EC's 3/27 paper on IT for Development Issues:

We agree that IT for development should be part of overall G8 efforts on development this year (e.g. HIV/AIDs, poverty, etc.)

We also agree that we need to take concrete steps to support developing countries in the Post-Seattle era. That should include our efforts to help close the digital divide, or more positively to support developing country efforts to seize and benefit from digital opportunities.

We see great commonality between what the EC paper suggests as fields of action -- infrastructure/connectivity, applications to meet social (health, education, governance), and helping developing countries achieve market-freindly policies that build their "readiness" for effective use of IT. We may have a few differences of emphasis, including a focus on training and human capacity building, but they are easily meshed.

We also fully support the notion that the private sector should be integrally involved in our efforts. We are not so sure, however, about the creation of an eminent persons group from the private sector at this time for the following reasons: we observe that the private sector engagement on this issue is active and diverse; and, we would not want to unduly limit at this time our interaction to a subset of companies nor predetermine ourselves how they interact with -- or are perceived to relate to -- NGOs, foundations and international institutions in this process.

That said, we think that it might make sense for Japan and others to tap into informally, and exchange information on, evolving private sector views on how they want to interact on this with the G8, and what IT for development activities (current and planned) they are engaged on. We should consider -- as was discussed favorably among our Foreign Affairs Sous Sherpas -- the creation of a G8 working group announced at the Summit that might for the first time involve and engage in some way private industry, NGOs/foundations, representatives from developing countries, and perhaps even from the international institutions in an efforts to improve the level, coherence and effectiveness of our efforts.

That is not to say that the private sector might not also engage in technical demonstrations of what is possible with us at the Summit, perhaps even linking our leaders with leaders of some of the developing countries with which we are already making efforts on internet for development. There are many exciting possibilities.

We too perceive the need for better coordination of international efforts. This must involve the international institutions. It may be, however, that we need to use a model that engages them with us more broadly on all the action issues. There are existing models such as that used to coordinate and advance efforts on micro-credit and agricultural research. We see a need for an envelope of coordination into which all donors and participants might fall, rather than a strict division of labor determined by the G8. We need to think further together about how this might work, but the Commission has identified many of the agencies we know to be active on this issue.

ISSUE GROUP: Infrastructure and human capacity: What can the private sector bring in terms of expertise, investment, management and employee training, and philanthropy?*

Deliverable Proposal

Chapeau: G-8 forms Information Technology Working Group, and in coordination with advisor (Minister) on information technology to be named from interested developing countries, agrees to undertake the following:

1. Within six months of formation, Working Group shall produce study identifying programs sponsored by multilateral institutions, governments and the private sector that provide 1) training; 2) hardware; and 3) financial support;
2. Upon conclusion of the study, G-8 commits to create [regional] [country-based] Sustainable Internet Training Centers. G-8 governments and information technology industry will train [25,000] people the first year of the opening of the centers;
3. G-8 shall encourage those information technology companies participating in and winning competitive procurement contracts in developing countries to consider providing educational benefits that create and expand digital opportunities for the society within these countries.

*Summary of group discussion attached.

ISSUE GROUP: Infrastructure and human capacity: What can the private sector bring in terms of expertise, investment, management and employee training, and philanthropy?

Is policy a predicate for everything we do? How aggressive does industry want to be?

- I. Knowledge Transfer: Group agreed that education is the single most important element to digital opportunity. The Internet Society currently provides training on a small scale by bringing people from developing countries to the U.S. The Group believes that the industry and G-8 could replicate these “centers” around the world, i.e., the creation of Sustainable Internet Training Centers. Industry could provide human and monetary resources. A G-8 Working Group could coordinate the efforts among multilateral institutions. Two deliverables could be measured in the creation of the centers and a commitment to train a certain number of people per year.

In addition, the Group agreed that the education message may also be emphasized by looking at “Best Practices” in developing countries, for example Chile and India.

- II. Telecommunications: Group discussed how to sell message that competition in telecommunications is one of the keys to digital opportunity. The group agreed to discuss further whether to recommend as a deliverable that the G-8 express its view that telecommunications monopolies be terminated. One group member noted the correlation between power and telecommunications, i.e., some societies do not have access to power and are therefore an additional step removed from digital opportunities. Chile recently opened its telecommunications sector to competition and could be used as a “best practices” model toward closing the digital divide and/or creating digital opportunity.

Group discussed the advantage for governments to have a “Minister” for Information Technology. Such a Minister would serve as a balance for the Minister of the telecommunications monopoly. The Minister would have the ability to promote IT objectives through educational, financial and political systems.

- III. Hardware: A number of companies and NGOs provide hardware to developing countries. For the most part, recipients of hardware are less concerned with the fact that it is “used” or “outdated” equipment. One group member emphasized that we should encourage contributions of new hardware as well as old so that recipients would be more likely to be able to maintain the equipment. Some thought was given to the fact that better distribution might make it possible to see that the entity receives similar equipment rather than a lot of mismatch equipment. The Group agreed that dissemination of the hardware could be coordinated to better serve a larger group of users. An

Administration official suggested that the G-8 could organize a conference on how to improve access to hardware.

- IV. Software: It was agreed that software could not at this time be translated into many different languages and that perhaps governments could in some cases localize software. The discussion again focused on education, but no conclusions were drawn with regard to addressing the software issue.
- V. Incubation: Two models of incubation, Chamber of Commerce – most successful model and prototyping. One participant provided an example of prototyping in Africa and hoped to see success and revenues from the project. With only a few minutes to discuss incubation, it was unclear whether there is a deliverable in this area under the overall umbrella of this discussion group. Participants agreed that further discussion might take place at the next meeting.

G7/8 Paper on Information Technology: Development Agenda

The potential for information and communications technologies to promote economic growth, social development and the expansion of democratic values is immense. Unfortunately, many developing countries are not in a position to benefit fully from these technologies. The G-8 has the opportunity to help reverse this trend and assist developing countries in joining an increasingly globalized economy and society. The draft Okinawa Charter prepared by Japan appears to accept many of the recommendations we made in our initial plan for bridging the international digital divide and creating digital opportunity. However, we are working internally and with the U.S. private sector to refine our views.

I. Scope of the Problem

A. Access/connectivity. The international digital divide between industrialized and developing countries is immense and growing. Less than a quarter of the approximately 275 million people currently accessing the Internet reside outside North America and Europe.

B. Economic Growth. Unfortunately, developing countries have not been able to experience the ICT-related gains in growth and productivity being realized elsewhere and participate fully in the increasingly integrated global economy.

C. Social Development. For the most part, developing countries also have not had the opportunity to use the Internet to address such urgent social challenges as: disseminating public health information, tracking infectious diseases, providing health care, providing distance education, training workers, and preserving indigenous culture.

D. Democratic Values. Finally, many developing countries have not had the opportunity to use the Internet to encourage the free flow of information, promote universal values of human rights and democracy or make governments more efficient, transparent, responsive and participatory.

II. Draft Charter: Promoting Global Participation

The draft Okinawa Charter prepared by Japan adopts many of the recommendations we offered in our original proposal for addressing the international digital divide. Generally, the

draft Charter outlines a catalytic role for the G-7/8 and proposes an Action Plan focused on:

A. Fostering policy coherence. The draft Charter proposes providing policy advice with a view to creating a liberalized, pro-competitive policy and regulatory environment; adopting measures to encourage greater utilization of IT in development efforts, including in education, public health and cultural preservation; and strengthening e-commerce readiness in developing countries, including support for micro-based enterprises.

These points generally echo those in our past proposals. In our redline of the draft Okinawa Charter, however, we have suggested basing our policy advice on the Vice President's GII principles. We also have recommended that efforts to strengthen e-commerce readiness among developing country firms should focus on SMEs and business-to-business applications (such as commodities trading) as well as micro-enterprises.

B. Improving connectivity. The draft Charter calls for mobilizing the resources of governments, the private sector, and MDBs in expanding connectivity. It also calls for giving encouragement to R&D focused on creating IT products that are developing country-friendly and stresses local adaptation of software and content.

Again these points generally echo those in our original proposal. Our private sector, however, has expressed some reluctance in conversations with us on the general point of adapting software to local languages. We have consequently deleted it in our redline. We should urge the G-7/8 to focus in creating awards, contest and other incentives for overcoming market failures.

C. Building human capacity. The draft Charter calls for a renewing a focus on education, with a particular emphasis on the development of IT skills; developing a cadre of trained professionals of IT and relevant policy areas and taking innovative approaches to extending the traditional reach of technical assistance through distance-learning and other means. These proposals are generally consistent with our own.

III. U.S. Proposed G-7/8 Response

The USG has been working to refine its original proposal based on input from the private sector, USG agencies and our

G-7/8 partners. Generally, we believe that the G-7/8 should:

A. Provide political leadership. The G-7/8 Leaders should use the July 21-23 Leaders meeting to issue a statement underscoring their commitment to bridging the divide and outlining the scale and scope of their commitment. The Summit provides an opportunity to raise public awareness and display some of existing projects and technologies that are helping developing bridge the digital divide and create digital opportunities.

B. Foster private sector leadership. The private sector should be asked to issue a declaration at the Leaders Meeting that underscores its commitment to promoting digital opportunity and providing technical assistance, hardware, and software in association with the G-7/8. One objective could be stimulating companies to make company-specific commitments to projects that address the digital divide.

C. Establish a G-7/8 Digital Opportunities Working Group. A Digital Opportunities Working Group should be established to provide a forum for discussing G-7/8 efforts. Among the jobs this group could take on would be helping to match available G-7/8 resources with specific needs in developing countries. It also could create a clearing house for sharing information about the resources available to developing countries from the entire spectrum of multilateral organizations, NGOs, foundations, companies, etc.

D. Encourage developing countries to commit to reform. The G-7/8 should partner with developing countries to work towards implementation of pro-competitive, liberalized policy and regulatory environments. We believe these efforts should be guided by the widely accepted Global Information Infrastructure (GII) principles first articulated by Vice President Gore. These include: encouraging private investment, promoting competition, creating a flexible regulatory framework that can keep pace with rapid technological changes, providing open access to the network, and ensuring universal service. The Digital Opportunities Working Group could establish a Global Public Policy Network to assist developing countries in gaining policy advice from developed countries, the private sector and others.

E. Develop an appropriate slate of pilot projects. The G-7/8 should work to encourage or create projects that leverage the resources of governments, industry, foundations

and civil society partners to foster: pro-competitive policy and regulatory environments, human capacity, access and connectivity, e-commerce, education, health, and cultural preservation. These projects could be targeted at both developing countries that have indicated a strong commitment to appropriate regulatory and policy reform and represent potentially significant markets, and/or the poorest developing countries, where assistance would make the most immediate impact. In either case, projects will have to be tailored to the particular circumstances encountered in each country.

F. Develop incentives to overcome market failures. In some cases, the private sector has failed to produce hardware, software and other products that address market opportunities in developing countries. To overcome these market failures, the G-7/8 could develop mechanisms, such as annual awards or contests that incentivize creativity and innovation in creating and bringing to market appropriate technologies.

II. Status of Private Sector Plans

We are working closely with the private sector to identify ways of using the G-7/8 to bridge the digital divide and create digital opportunity. We hosted a meeting at The White House on March 22 with various foundations and private sector companies interested in this issue. This private sector group has continued to meet under the leadership of Zoe Baird, from the Markle Foundation, and Lisa Barry, who represents AOL and those U.S. companies participating in the Global Business Dialogue on e-commerce (GBDe). This group has yet to present us with its formal proposals but based on our follow-up meetings with them on April 18 and May 2 they are focused on:

- Ensuring the G-7/8 and developing countries work to develop pro-competitive, liberalized policy and regulatory frameworks in the developing world;
- "Incubating" Internet companies based in developing countries;
- Showcasing and targeting for assistance and training key developing countries like Jordan and Egypt that have begun to adopt appropriate IT policy and regulatory frameworks and represent potentially significant markets, and
- Creating a new mechanisms that would align the efforts of multilateral and international organizations with the work of the G-7/8.

Other private sector groups also are working to develop and announce proposals for assisting developing countries at the G-7/8 Summit. Although we have yet to receive their formal proposals, the GBDe announced a "Digital Bridges" initiative at the April 27 meeting of its Business Steering Committee. The World Economic Forum (WEF) also is developing recommendations on the role that the private sector and governments should play in addressing the international digital divide. These recommendations are being developed at the request of ex-Prime Minister Obuchi and would be delivered in time for the Summit. The WEF has scheduled a series of meetings at which it will develop these recommendations but has no formal proposals at this time. The WEF would like to work with us to ensure that its recommendations are largely consistent with our views.

Drafted: EB/CIP - Andrew Weinschenk

202 647-9340 5/5/00

G-8 - ITDevelopingCountries5-5-00

Cleared:

- E - Anne Pence
- E - Orde Kittrie
- EB/CIP - Geoffrey Chapman
- P - Dan Shields
- D - Kathleen Doherty
- NEC - Sharon Yuan
- G - Grace Shelton
- OVP/ECWG - Elizabeth Echols
- DOC - Andy Pincus
- DOC - Michelle O'Neill
- DOC - Becky Burr
- DOC - Elliot Maxwell
- TREAS - Peter Wisner
- USTR - Jonathan McHale

TALKING POINTS

- Note our general satisfaction with the Action Plan as described in the draft Okinawa Charter for bridging the digital divide and creating digital opportunity.
- Note our belief that efforts to create a liberalized, pro-competitive policy and regulatory framework in developing countries should be guided by the Global Information Infrastructure principles first articulated by Vice President Gore.
- Recommend that efforts to foster the electronic marketplace in developing countries should be targeted not only at micro-enterprises but at SMEs and larger-scale businesses as well.
- Recommend that the G-7/8 work to create incentives, such as awards and contests, to entice the private sector to develop hardware, software and other products that are developing country-friendly.
- Suggest that the G-7/8 use the Okinawa Summit to showcase existing technologies and programs that address the international digital divide.

DRAFT**A Framework to Ensure the Global Diffusion of Internet/New Economy**

The growth of information technology has sparked rapid economic growth in developed countries and is changing the way people live, learn and work. One of the principal challenges facing the global community is to ensure that advanced communications services – and the attendant economic, social and political dividends – are spread throughout the world. Many developing countries have a strong interest in the Internet and electronic commerce but must address several challenges in order to obtain the full benefits of the online medium. This presents the global community with an opportunity to ensure that the Internet, information technology and electronic commerce can close what some have already begun to characterize as a global digital divide. To be effective, all stakeholders – including the G-8, developing countries, multilateral institutions, the global business community, and foundations – must work together on a new framework for action to ensure that the benefits of the Internet are shared around the globe.

Goal

Establish specific goals for key indicators such as connectivity and create a structure that can be used by any country to obtain support from the key stakeholder communities to accelerate the growth of information technology in support of country-specific objectives.

Overarching principles

- **Sustainable success depends on the active participation of all “stakeholders.”** Private sector leadership has been critical to the rapid adoption of Internet services and information technology in the United States and other developed countries. In order to make the Internet a truly global medium, however, a new set of challenges must be addressed. A specific, measurable commitment from governments, multilateral lending institutions, non-governmental organizations and the private sector will be required.
- **Each country must tailor its own solution.** While the Internet is a global medium, it must serve local needs and aspirations. Indeed, one of the Internet’s most powerful features is its ability to unite individuals with shared interests and values. The online medium can be used to help the people of developing countries to preserve their cultural and linguistic heritage even as it helps break down barriers to economic and intellectual exchange. In addition, Internet content and services can be adapted to help meet basic development goals, such as improved education and public health. With this in mind, countries need to create comprehensive programs that will effectively advance their identified national information economy agendas.
- **Infrastructure is critical.** The best Internet content and services cannot reach the citizens of developing countries without communications platforms and devices that are capable of providing access to the online medium at a reasonable costs. The availability and cost of communications infrastructure is a critical roadblock to the

Internet in many countries. With legacy telecommunications networks (based on fixed, circuit-switched technology), low levels of telephone and personal computer penetration (particularly in rural areas), and few technical resources available, developing countries should consider innovative alternatives for access as part of any comprehensive solution.

- **The policy and regulatory environment must facilitate Internet adoption.** Public policy and regulation is critical to expanded usage of networked information technology. The policy agenda should be comprehensive, identifying and removing roadblocks in the e-commerce value chain. These roadblocks begin with access to affordable telecommunications but extend to such divergent areas as encryption policies, intellectual property protection, trade barriers in the areas of banking, express delivery services, and advertising, rights and responsibilities for online content, and consumer confidence (including privacy and consumer protection law). In the absence of a predictable, transparent policy environment, capital markets business, and multilateral lending institutions will continue to be reluctant to participate in local economies.
- **Societies must understand how to fully embrace the tools of the new economy.** In order to be successful, any solution will require the understanding and active participation of the members of society. The tools of the new economy can be made available, in part, through traditional educational institutions. In places where educational institutions or government officers are connected, these places could be the starting points for extending access to broader groups of people and businesses. In addition, community centers or other centralized public access points may facilitate access while avoiding the need for massive infrastructure deployment.

The strategy

Create a coordinating mechanism. The G-8 should call for establishment of a global alliance to both establish key goals (i.e., connectivity as measured by penetration rates for key technologies and services by a date certain) and better manage the efforts of stakeholders to maximize the global information technology opportunities available to the developing world. This alliance should take the form of a “Digital Opportunity Committee” (DOC) comprised of representatives from major stakeholders: governments (from the developing and developed worlds), multilateral institutions, private business, the philanthropic community, academics, and NGOs. The primary goal of the DOC should be to effectively target existing and new resources to those countries that have a demonstrated commitment to fostering the growth of information technology in their societies and that have a well-documented proposal for using the DOC’s resources. The DOC would support both existing programs that are shown to be successful innovative new projects that will accelerate the spread of information technology and services.

The G-8 should recommend that the DOC have four main responsibilities: (1) goal setting; (2) administration of a global fund (consisting of \$500 million in G-8 government contributions, as well as in-kind and cash donations from other stakeholders); (3) coordination of the distribution of those resources; and (4) development of criteria for allocation of those resources, development of new programs, and a mechanism to evaluate IT development efforts. The fulfillment of these responsibilities by the DOC should speed adoption of IT by recipient countries, while providing some guidance on whether the resources are being effectively used. To carry out this imperative, the G-8 should recommend that several steps be taken by the DOC.

The following subject areas and specific projects illustrate the types of activities the DOC and stakeholders might choose to address:

Readiness and policy guidance

- **Readiness assessments.** The G-8 should encourage Internet/e-commerce readiness assessments that will help developing countries to establish plans to full advantage of information technology. Every country that has an interest should have access to and training to implement some form of formal or informal “readiness” assessment and readiness program. The foundation community and the private sector should commit to working with interested countries to ensure that countries can develop programs to advance the particular economic, social and political goals of that country. The key to success will be demonstrating that countries can use the Internet to reinforce local cultures and values, strengthen local businesses and enhance economic objectives. Key elements include: support and distribution for indigenous content, including finding placement opportunities in the international portals; full integration of Internet and technology assistance into economic development programs; a focus on micro-enterprise; and assistance in integrating the Internet into existing industrial, manufacturing and agricultural businesses of developing countries.

- **Policy/regulatory advice and training.** Organizations such as the Global Business Dialogue on E-Commerce have developed an extensive body of knowledge on the policies and regulatory structures that can create an e-friendly environment. These include everything from the optimal type of telecommunications infrastructure and regulatory bodies to establishment of laws governing content protection to addressing roadblocks to the e-commerce value chain. This policy expertise can be tailored to the needs of individual countries. In addition, the U.S. business community (AOL, Cisco, and major telecommunications carriers) should be encouraged to continue its work with the FCC to develop a model for foreign regulators to use as they develop telecommunications regimes that encourage Internet adoption, usage, and competition. Business and government also should build on their work in organizations such as the U.S. Telecommunications Training Institute to educate foreign regulators about our regulatory framework and how they might adapt the lessons we have learned to speed the availability of new services.

The G-8 should publicly commend and highlight those countries and regions that have taken concrete steps to establish an Internet-friendly regulatory and policy environment. Role models for the Internet and e-commerce in the developing world will be crucial to persuade other countries that they can share in the benefits of the new economy. Candidates to be showcased include ASEAN, Egypt, and Argentina.

Human capital

- **Technical training.** Industry should lead an initiative to establish regional training centers that build on the model established by the Internet Society's existing programs. NGOs with expertise in public health, education, and other key development areas should commit to partnerships with G-8 countries and corporations to add application-specific training to regional IT training programs. A foundation should be established to identify the best uses of used computers and to accomplish the transfer of such equipment to recipients in developing countries. Funding would come from industry, NGOs and private foundations, with a total financial commitment of roughly US \$2 million.
- **IT volunteers.** G-8 countries should set a goal of sending 5,000 private sector IT professionals to spend six months each in developing countries, building on the U.S. government's Global Technology Corps, NetCorps Canada International, and other existing programs designed to match private sector volunteers with IT development projects.

Appropriate technology

- **Information technology development portals.** Multilateral institutions should be encouraged to develop portals to host "digital libraries" for development, with material on issues such as public health, agriculture, micro-enterprise, and education and training. These portals also could be used to facilitate a dialogue toward improved understanding among private sector and government entities of the work of

the multilaterals and how it relates to the culture, entrepreneurial climate and practices of recipient countries.

- **Initiative on connectivity and appropriate communications devices.** Multilaterals, foundations and industry should plan efforts to develop and adapt communications devices and infrastructure, with particular emphasis on linking rural populations through new communications technologies so that the lack of landlines does not become a major obstacle to the diffusion of the online medium. Heightened attention should be placed on exploring how satellite technology could be developed (and authorized by regulators) for lower-cost, easy to use communications kiosks that could be installed in rural areas and provided shared voice and data services.
- **Centers of excellence for affordable IT.** University-based “centers of excellence” could be established to conduct research and development work on low-cost devices, connectivity, and applications. These centers of excellence would be located in both developing and developed countries, and they would also provide interdisciplinary training in skills relevant to IT and development.
- **Dialogue on application of digital technology.** The Markle Foundation, the Gates Foundation, and the Packard Foundation will work with the World Resources Institute to organize an international conference on applying digital technology to sustainable development. The conference will bring together subject matter experts from government, the private sector, and academia to discuss how information technology can best be adapted to the needs of developing countries.

Entrepreneurial activity

- **IT incubators.** Local incubators should be established to give those with the potential to create new technology and Internet related businesses in developing countries access to necessary know-how and capital. The incubators can also test the feasibility of applying new technology to developmental challenges in ways that also may have potential commercial application. Any incubator program should include components devoted to (1) developing entrepreneurial and financial skills needed to manage and grow technology businesses and (2) providing the technical background for Internet applications and services.
- **Social venture funds.** The establishment of IT incubators could be accompanied by the creation of “social venture funds” that use social as well as financial criteria in deciding how to allocate investments. These funds might support ventures that are likely to be self-sustaining but do not provide the large financial return venture capitalists ordinarily seek when financing new enterprises.

Information resources and cross-disciplinary efforts

- **Global replication of domestic digital divide initiatives.** America Online, Inc., and other organizations will build on clearinghouse activities directed at the domestic

digital divide by making these resources available to the DOC to help the Committee and developing countries determine the applicability of comparable projects in other countries and to secure funding to replicate the best initiatives. The Global Business Dialogue is involved in a similar effort and will work closely with AOL.

- **Knowledge sharing between institutions of higher learning.** Universities in developed and developing countries should share lessons about infrastructure development and integration, deployment models and technology standards, along with curriculum expertise and research on expert training tools. Institutions of higher learning should serve as anchors for technology transfer and workforce development to produce the human capital needed for long-term progress in bringing advances in communications and information technology to the developing world. In addition, these anchor institutions will be the most likely places for Internet connectivity and the benefits of the Internet economy to take root. They are also the places where leadership and entrepreneurship training should and will occur. Accordingly, indigenous institutions of higher learning should be enlisted to aid in the diffusion of knowledge and technology and to act as regional translators of culture.
- **Expanded public-private partnerships.** The G-8 should examine structural impediments to more active participation of the private sector in multilateral projects to accommodate public-private partnerships. In many cases, the rules of these institutions effectively prevent private sector involvement. The UNDP/Cisco joint project on NetAid and the World Bank/SoftBank projects can serve as a starting point for developing ways in which multilateral institutions can work with the private sector on digital issues relating to the new economy.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. paper	The Information Society and the Digital Divide (4 pages)	06/00/2000	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Brainard, Lael
OA/Box Number: CF 1361

FOLDER TITLE:

G8-IT-Digital Divide (6/00)

2019-0203-F
ke5669

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. paper	Japan's Comprehensive Co-operation Package to Address the International Digital Divide (3 pages)	06/00/2000	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Brainard, Lael
OA/Box Number: CF 1361

FOLDER TITLE:

G8-IT-Digital Divide (6/00)

2019-0203-F
ke5669

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

MINISTRY OF FOREIGN AFFAIRS
TOKYO, JAPAN

Wt Proposal

20 June 2000

Dear Colleagues,

With reference to my letter dated 5 June, I am writing to share with you my thinking on the possible modality of a follow-up mechanism to the IT Charter.

First of all, my sense is that as a result of our discussions to date a broad consensus seems to be emerging on the following points:

- a) The scope of activities to be undertaken under this mechanism should be primarily devoted to the purpose of bridging the international information and knowledge divide;
- b) The time horizon, for the time being, should be confined to one year, and the decision as to whether or not to take this process beyond that horizon should be taken at next year's Leaders' Meeting in Genoa;
- c) Close consultation and coordination with other stakeholders, including developing countries, the private sector, NGOs, and international organisations, are vital; and
- d) There is also a need to avoid bureaucracy both in the structure and in the management of the mechanism.

The key factor in defining the structure of the mechanism is how we approach the question of inclusion. In this regard we may attempt to establish an elaborate mechanism in which all the stakeholders participate, but such an approach would inevitably lead to heavy bureaucracy. A preferable option, therefore, seems to be a core G8 body, which itself should be manageable in its structure, working closely with the other stakeholders in pursuit of the vision of the Charter.

In light of the foregoing, my tentative proposal is as follows:

Structure

- The core G8 follow-up body will consist of two representatives (one from government and the other from the private sector) from each G8 country and one representative from the European Commission(17 members all together).
- The level of the government representation will be up to each member to decide, but in order for the body to have direct access to decision-making levels in developing countries, a policy-level (senior official) representation is preferred.

Mandate

- The body will be charged with the primary task of further elaborating the action aiming to bridge the international information and knowledge divide, as is indicated in the Charter, in close consultation with the other stakeholders, and reporting its findings to next year's Leaders' Meeting.
- We shall not, however, exclude the possibility of the body serving as a focal point of G8 cooperation in specific policy areas beyond the above scope, as and where appropriate.

Activities

- In fulfillment of the task, the body will organise a series of working sessions with the stakeholders, and lead fact-finding missions to selected developing and transition countries.
- In the latter regard, a lead member(s) will be designated to cover the main regions (Africa, Asia/Pacific, Latin America, transition economies in Europe, etc.) with a view to working out the mission's programmes in the respective region of responsibility.
- The body may also organise or contribute to preparation for a high-profile public forum to raise public awareness of the challenge of the international information and knowledge divide.

Finally, it should be pointed out that the follow-up mechanism is likely to be very much of an evolving process, and it seems vital to give the body sufficient latitude for flexibility in adapting itself to changing circumstances. For this reason, we should avoid setting out too elaborate a mandate for the body in the IT Charter itself, and I intend to propose a short concluding paragraph(s) describing the general purpose and direction of the activities of the group at the forthcoming Plenary in Okinawa.

Thanking in advance for your attention in this matter,

Yours Sincerely,



Yoshiji Nogami

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. paper	Establishment of Working Groups after the Okinawa Summit (3 pages)	05/10/2000	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Brainard, Lael
OA/Box Number: CF 1361

FOLDER TITLE:

G8-IT-Digital Divide (6/00)

2019-0203-F
ke5669

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

IT - Developing

MINISTRY OF FOREIGN AFFAIRS
TOKYO, JAPAN

1 June 2000

Dear Colleagues,

As some of your assistants have contacted my office about the IT-related pre-Summit events that we are preparing in cooperation with the World Economic Forum, I felt that it might be useful to provide the following information through the Sherpa channel as well.

1. Input from eminent IT business leaders to the G8 process

As was introduced at previous Sherpa and Foreign Affairs Sous-Sherpa meetings, Prime Minister Mori, in the capacity of the G8 Chair, is going to receive recommendations from a group of eminent business leaders at the helm of today's IT global business. These business leaders concurrently serve as members of the Digital Infrastructure Initiative being promoted under the auspices of the WEF. Attached is the list of signatories to the recommendations. Some of these individuals are expected to come to Japan to actually hand the recommendations to Prime Minister Mori on 19 July.

2. IT Forum organized by the WEF

Taking advantage of the presence of such eminent business leaders in Tokyo, the WEF is planning to organize a brainstorming session on IT in the afternoon of 19 July, inviting, among others, those business leaders who are coming to Japan for a ceremony at which the recommendations will be handed to the Prime Minister. I am given to understand that Prime Minister Mori will be invited to address the forum.

Yours Sincerely



Yoshiji Nogami

Attachment

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. list	Digital Divide - Brainstroming with heads of state - Tokyo 19 July (2 pages)	05/17/2000	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Brainard, Lael
OA/Box Number: CF 1361

FOLDER TITLE:

G8-IT-Digital Divide (6/00)

2019-0203-F
ke5669

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.