



# The Future of the Internet Economy

OECD Ministerial Meeting  
Seoul, Korea, 17-18 June 2008



## Shaping Policies for Creativity, Confidence and Convergence in the Digital World

The Internet is increasingly critical to our economies and societies - with implications for all policy domains. Only now is the world beginning to grasp the Internet's potential as a powerful driver of innovation, sustainable economic growth and social well-being. It is timely for Ministers, CEOs and Internet experts to forge broad principles that will guide the next decade of the Internet economy.

### Context and objectives of the Ministerial meeting

In 1998, as the Internet was emerging in mainstream activity, the OECD convened a Ministerial Conference on E-Commerce in Ottawa, Canada. That meeting established policies in areas such as privacy, security, taxation and consumer policy, that have been instrumental in nurturing online activity. More fundamentally, it pioneered a multi-stakeholder approach to addressing Internet-related issues.

Ten years later, the online world is at another **critical juncture**. Major changes in Internet use will affect how the Internet Economy develops: previously distinct networks that provide critical communication functions are now converging towards the Internet; our daily reliance on the Internet for commercial and social activity is increasing; and the integrity of the network is tested daily by severe and sophisticated attacks.

Each of these factors represents a significant shift in the use and functionality of the Internet - collectively, they represent a major transition in the evolution of the Internet and the economic system that has developed around it. At such a point, policies need to be carefully crafted and co-ordinated across policy domains, borders and various stakeholder communities. The implications for economic and social activities, are **far-reaching and profound**, including for the next several billion users.

**Guiding principles for the Internet economy** over the next decade are needed. The Ministerial represents an ideal opportunity for government, business, the technical community, and civil society to consider social, economic and technological trends shaping the development of the Internet Economy, and to discuss policies that can provide an enabling environment for the future.

### With a strong focus on innovation and growth, the meeting will discuss:

**The role of the Internet in the 21st Century** - a key economic and social infrastructure on which the world depends to support economic growth and social development in countless areas, from healthcare and education to public services and the environment - and **guiding principles for growth and development** to enable societies to:

- Benefit from the innovation that the Internet triggers, while creating an environment that supports investment in infrastructure and services.
- Safeguard individual privacy while encouraging the deployment of services and devices that tailor information to individuals or allow them to participate in online social networks.
- Identify strategies for competitive communication services to flourish in developed and developing countries.
- Build on the Internet's successes, based on the decentralised nature of the network and the tradition of public and private sector interaction, for an infrastructure that is an essential element of economic and social welfare.

# Themes of the Ministerial

**CONVERGENCE**  
Adapting to a new environment of converged platforms (voice, video and data) and extending the network to new devices and sensor technologies.



**CREATIVITY**  
Promoting the Internet as a catalyst for economic growth, employment opportunities and social innovation.

**CONFIDENCE** Reducing the Internet's vulnerability to threats and empowering users and consumers.

## ■ FUELLING CREATIVITY

The Internet has greatly **expanded our capacity to create, compute, communicate, co-ordinate, and innovate**, toppling barriers that constrained so many economic and social activities in the past. It has led to increased productivity, lowered costs and raised living standards in ways difficult to imagine just a few years ago. This creative activity is generating new software and hardware products, sensor technologies, new ways of organising global business, employment creation, and the development of digital content across the economy and in research, government, health and education. The theme on Fuelling Creativity will consider:

- How to enable innovation and encourage new co-operative models for growth and employment.
- Enabling maximum access to public sector information and content and its re-use by the private sector.
- The value of e-science in innovation policy and in the OECD's innovation strategy.

## ■ BUILDING CONFIDENCE

As it becomes a key conduit for economic and social activity, the Internet also attracts **fraud and malicious practices that are increasing in size and sophistication** and threaten consumer and user confidence. As no single entity, working alone, can ensure a trusted online environment, there is a need to work collectively - across borders, engaging all stakeholders - to formulate effective practices and policies to prevent an erosion of confidence. The theme on Building Confidence will consider:

- Policies to ensure the security of critical information infrastructure and combat malicious software.
- Multi-stakeholder, cross-border co-operation for privacy, security and consumer protection.
- Policies to empower consumers on line; ensure fair mobile commerce transactions and combat online identity theft.
- Policies for digital identity and its management.

## ■ BENEFITING FROM CONVERGENCE

Through technological development and regulatory reform, network platforms for data, voice, and video that were previously separate are **converging to a single platform based on Internet protocol**. This is resulting in a range of new services, a re-evaluation of business models and changing levels of competition in formerly distinct markets. Policy is caught up in this change and must adapt to the new environment. The Internet's capabilities are expected to be further transformed as it embraces new technologies such as wireless access or sensor networks. The theme on Benefiting from Convergence will consider:

- Overarching principles needed for convergence and the transition to the next generation of high speed networks.
- Guidance to help consumers navigate the transition towards a converged network that offers bundled and tailored services while stimulating competition.
- Policies for opportunities and challenges offered by evolving RFID and sensor networks.

The Ministerial meeting will be preceded by one day of **stakeholder fora, on 16 June 2008**, to enable the Ministerial meeting to consider viewpoints from business, civil society, and the Internet technical community. Side events, including an international information technology exhibition, will take place at the same time as the Ministerial and stakeholders meetings, showcasing tangible examples of the Ministerial themes. In addition, bilateral and multilateral meetings may be organised in the venue (COEX), in Seoul, Korea, one of the most "connected" cities in the world.

The Ministerial is organised by the OECD's Committee on Information, Computer and Communications Policy (ICCP), which develops policies to maximise the benefits of the Information Society.

For more information, visit [www.oecd.org/futureinternet](http://www.oecd.org/futureinternet) or email : [FutureInternet@oecd.org](mailto:FutureInternet@oecd.org)

The Ministerial Meeting is hosted by the Republic of Korea's Ministry of Information and Communication. For further information, please visit [www.mic.go.kr](http://www.mic.go.kr) or email : [FutureInternet@mic.go.kr](mailto:FutureInternet@mic.go.kr)