

# Promoting Electronic Commerce in South Africa: Ten Academic Perspectives<sup>1</sup>

Electronic commerce (EC) may be defined as the transacting of business over computer networks. Such transactions include

- The well-known activities of consumer purchases over the Internet, online auctions, and individual share transactions
- The rapidly growing and highest value form of EC—business to business e-commerce—that dramatically streamlines and reduces the costs of business-to-business transactions such as procurement of raw materials
- The application of computer networks to optimise internal government activities and most importantly the delivery of government information and services to the populace.

South Africa has already embraced EC with enthusiasm (who has not heard of *dotcoza*?). Surveys show rapid growth the quality and value of both B2B and B2C activity as well as significant governmental projects such as the Public Information Terminal recently launched by the Department of Communications. The South African Government is committed to fostering this growth and using EC to contribute to economic growth, redress historical inequities and improve the quality of life of all the country's citizens.

In that light, the Department of Communications launched the so-called “e-commerce debate” in July 1999. They released a discussion document, launched a web site and set up nine working groups to explore in detail critical aspects of and impediments to EC in this country. The working groups tackled aspects of EC encompassing the four elements of the well-regarded OECD framework for EC: Building Trust, Establishing the Ground Rules, Enhancing Infrastructure, and Maximising the Benefits. The outputs of those groups are now being analysed and incorporated into the EC Green Paper. Thereafter a White Paper will be published and appropriate legislation put before Parliament.

To complement the above work, the department formally invited and subsequently commissioned members of the academic community and other experts in the field to provide in-depth perspectives on aspects of EC with which they were specifically engaged. The ten papers in the current document comprise that input. The intention of this particular project was not to generate an exhaustive body of material, but rather to gain input from people specifically engaged in detailed EC-related study and research. The

---

<sup>1</sup> Prepared by Jonathan Miller as coordinator of ten academic submissions to support the South African Electronic Commerce Green Paper Process. See [www.ecomm-debate.co.za](http://www.ecomm-debate.co.za).

papers submitted cover the four elements of the OECD framework and will be presented in terms of that structure.

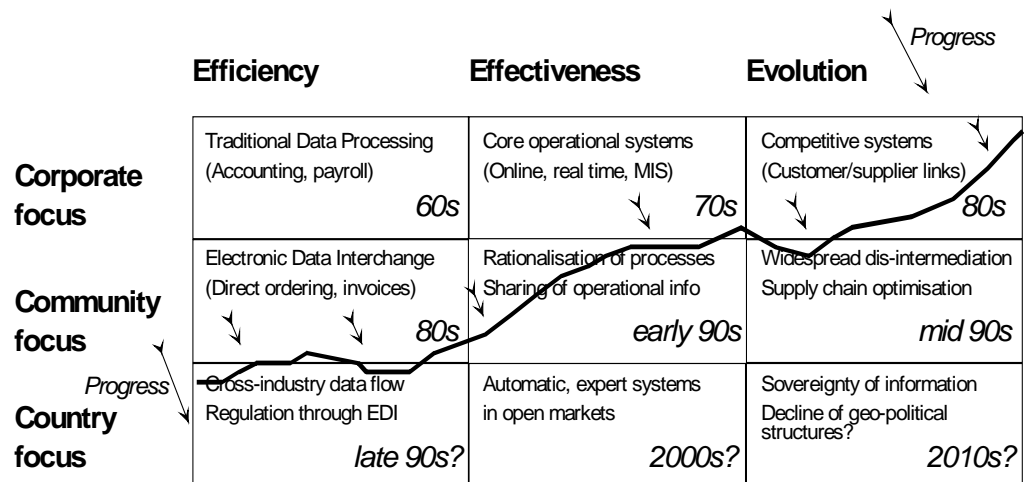
# 1 Maximising the benefits - economic and social impacts

*Electronic Commerce Strategies for Small, Medium and Large Businesses*, Andy Bytheway and Yvette Goussard.

*E-commerce and Poverty Alleviation in South Africa*, Aki Stravrou, Julian May and Peter Benjamin.

According to the OECD framework this includes business-to-business commercial relations, sales by companies to consumers, and exchanges between consumers. The SMME environment is of special importance. Arguably small businesses in developing countries will be the major beneficiaries of the era of electronic commerce.

The paper by Bytheway and Goussard examines the benefits of EC for companies of all sizes, drawing on surveys and case studies from the UK in particular. They present a benefits matrix as shown below that is directly applicable to businesses in South Africa and is a useful basis to assess the state of development of EC in this country's business sector.



The paper offers useful insights and poses specific questions for South Africa's business managers seeking guidelines to maximise their benefits from EC—especially those interested in exploiting EC to access export markets.

The second paper focuses on the poor and the SMME sector and is written by Stravrou, May and Benjamin. The paper notes that approximately half of South Africa's total population can be categorised as being poor, with most

of the poor living in the rural areas of South Africa. Policies concerning e-commerce are integrally bound up with redistribution concerns and have the potential to facilitate the implementation of a wide range of government's policies concerned with poverty reduction.

Understanding the role that can potentially be played by electronic commerce in the lives of the poor in South Africa is best grounded in a 'livelihoods' notion of development. Risk and uncertainty are universal characteristics of life, but for poor communities, both can be critical in determining household livelihood strategies. Poor households have a limited asset base, face poorly functioning or missing insurance and finance markets, and a confined risk pool. They tend to pay a higher cost (in terms of actual outlays and opportunity costs) for reducing, mitigating, and coping with risk. Poorer households also tend to adopt risk management strategies that concentrate in lower risk and lower return on assets, which can lead to a poverty trap. The lack of assets, the failure of markets and a lack of public interventions to provide for efficiency-enhancing risk management strategies have adverse consequences for development and inhibit efforts to reduce poverty through broad-based growth. As discussed in the paper, e-commerce can potentially break the vicious cycle of poverty, but this will depend upon the potential of e-commerce to reduce what are often termed "information asymmetries." Because of the level of infrastructure and skills required, however, in the short term E-commerce will have little impact on the people in greatest poverty in the disadvantaged communities of South Africa. Information brokerage, guidance, training, credit guarantees and general support will be required for e-commerce to have any real impact in that arena.

By contrast electronic commerce can have immediate impact on the potential for SMMEs. E-commerce is primarily a means of providing information on opportunities (B2B), or of potentially increasing a market through web advertising (mainly B2C). Electronic commerce amplifies the ability of SMMEs to access new markets across the globe, enabling activities that might not be otherwise supported by the local market. The Internet and other e-commerce tools can provide SMMEs with access to marketing, research, banking, training and information on business opportunities far more cheaply and easily than previously. Low cost access to support via e-commerce can cut through the difficulties of information asymmetry, for instance by reducing the cost incurred by the entrepreneur when trying to reach a contract with the tendering organisation.

ICT systems (of which e-commerce is a part) are simply technology for providing information and communication. Focusing solely on the technology can lead to great waste of time, effort and opportunity costs. Thus, the key issue in using e-commerce as a poverty alleviation strategy is supporting opportunities for SMMEs through provision of relevant business information, not the technology. Effort can be put into finding national opportunities for tenders from government and corporations and publicising this information electronically on networks or telecentres, libraries and business support centres.

## 2 Building trust for users and consumers

*E-commerce and issues in the law of privacy*, Julian Hofman

*The Cryptographic Dilemma: Possible Approaches to Formulating Policy in South Africa*, Vivienne Lawack-Davids

This category relates to the protection of users, in particular with regard to privacy, confidentiality, anonymity and content control. Hofman's paper looks at the different ways to provide for information privacy in e-commerce in South Africa. It notes that public opinion surveys in the United States and Canada show high anxiety levels over privacy and, in particular, over the way new information technology has eroded privacy. South Africans apparently do not share the concern about invasions of their privacy, perhaps because they do not yet fully understand the implications the Information Revolution has for a person.

The paper describes just a few aspects, including electronic tracking, merging information and single identifier numbers, credit reporting, transactional data and personal profiling, caller identification and smart cards. It then explores how protecting information privacy promotes e-commerce and looks at the different ways to provide this protection: by allowing the courts to develop the constitutional and the common law right to privacy; by legislation and by self-regulation in the industry. It compares the strong legislative protection for information privacy of the European Union with the policy of leaving protection for information privacy largely to market forces that the United States of America has adopted. The paper suggests that, at this stage in the development of its e-commerce, South Africa should follow the American model and interfere as little as possible with the free flow of personal information. At the same time there are aspects of personal information privacy that do call for legislation and these are spelled out. The paper urges that South Africa uses every opportunity to develop a South African constitutional and common law jurisprudence of information privacy.

The second paper in this section, by Lawack-Davids, relates directly to the first, taking an in-depth look at the use of encryption to ensure the security, privacy and authenticity of the valuable information of an individual (or company). It notes that the use of encryption presents problems for justice departments and national intelligence agencies with regard to detection and proof. A balance needs to be struck between the rights of the individual and free-flow of information on the one hand, and the upholding of the legal order, in particular the detection and prosecution of criminal acts and national security, on the other.

The paper evaluates possible approaches to lawful access to cryptographic keys by government and intelligence agencies. To this end international trends are examined, including initiatives of the law-making bodies in the European Union, the United States of America and the United Kingdom. The South African position is examined in order to determine to what extent any of these approaches have been considered favourably in South Africa. Also the South African Discussion Paper on Electronic Commerce is discussed, as well as the Draft Report of Working Group One. The author submits that

at this stage it would be premature to make decisions relating to conditions under which lawful access could be made to keys of individuals or business. It is imperative that first a decision is taken whether or not the use of cryptographic keys should be restricted. It is only once this decision has been made that restrictive measures, if any, can be implemented. The author also submits that the role of the South African government in international initiatives cannot be over-estimated.

### **3 Establishing ground rules for the digital marketplace**

*Select Intellectual Property Implications Of Electronic Commerce And Global Information Networks: Copyright, Trade Marks, and Databases, Coenraad Visser and Tana Pistorius*

*Domain Names: A Legal Model For Their Administration, And Their Interplay With Trademarks, Coenraad Visser and Brian Rutherford*

*Contracting on the Internet: The Formation of Contracts, Trade Practices and Online Dispute Resolution, Tana Pistorius and Eddie Hurter*

*A Comparative Survey of Legislative Initiatives on Select Aspects of Electronic Commerce, Tana Pistorius*

The third element of the OECD framework considers intellectual property, contractual and other legal issues, taxation and tariffs, trade facilitation and customs modernisation. There are four academic submissions in this category, the first two relating to intellectual property.

The paper by Visser and Pretorius considers implications of electronic commerce and the Internet on the law relating to the protection of copyright, trademarks, and electronic databases. It notes that the development of e-commerce will significantly impact on intellectual property rights and those rights are of central importance in maintaining a stable and positive environment for the continuing development of e-commerce. The paper shows, however, that the major part of this impact will be absorbed by the general principles of intellectual property law. So it may well not be necessary to meet the intellectual property challenges of e-commerce with new international instruments specifically designed for this aspect of the Internet.

In the field of copyright law, digitisation, easy access to and copying of material subject to copyright protection, and problems relating to ascertaining the identity of an infringer, have created unique challenges. Internationally, those challenges have been met with the adoption of the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty. The paper argues that South Africa should implement and ratify those treaties as a matter of urgency and suggests that only fairly minor amendments to the Copyright Act 98 of 1978 will be required. At the same time the issues of

jurisdiction and applicable law need urgent attention. If such attention is not given, the enforcement of copyright and, by extension, trademark law becomes virtually impossible, which nullifies any rights granted to authors or trademark proprietors.

The liability of online service providers (OSPs) for contributory copyright infringement is also considered. The paper examines their position under the Digital Millennium Copyright Act in the United States and the proposed European E-commerce Directive and concludes that only a minor amendment to the Copyright Act is required to bring South African case law into line with developments overseas.

Finally, the protection of electronic databases is considered. It is shown that in terms of South African copyright law, these compilations receive strong protection and have to satisfy fairly undemanding criteria for protection. This position is contrasted with that in Europe and, to a lesser extent, the United States, where many of the databases protected under South African law are denied protection for failing to satisfy the originality requirement. It is shown, though, that, based especially on the European model, the protection of electronic databases can be strengthened in South African law.

The second paper in this section, by Visser and Rutherford, tackles a specific aspect of trademarks—domain names. Domain names enable users to locate computers connected to the Internet in a human-friendly manner, rather than requiring knowledge of numeric “IP” addresses. But as a result domain names have also acquired significance as business identifiers. As such, they have come into conflict with trade marks, a system of business identifiers that existed before the arrival of the Internet and that are protected by intellectual property rights. The paper considers the following issues: (a) best practices for registration authorities; (b) resolution of disputes relating to domain name registrations; (c) new generic top-level domains (gTLDs); (d) the protection of famous and well-known marks; and (e) the liability of registration authorities for contributory trade-mark infringement.

The first three issues are considered against the background of the report of the World Intellectual Property Organization (WIPO) entitled *The Management of Internet Names and Addresses: Intellectual Property Issues*, published on 30 April 1999. Since July 1998, WIPO had undertaken an extensive international process of consultations. The purpose of that process was to make certain recommendations to the corporation established to manage the domain name system (DNS) — the Internet Corporation for Assigned Names and Numbers (ICANN).

Concerning best practices for registration authorities, the WIPO Report states that the adoption of a number of improved, standard practices for registrars with authority to register domain names in the generic top-level domains (gTLDs) will reduce the tension between domain names and intellectual property rights. In particular, the collection and availability of accurate and reliable contact details of domain name holders is an essential tool for facilitating the protection of intellectual property rights on a borderless and otherwise anonymous medium.

As far as the administrative procedure concerning abusive domain name registrations is concerned, the WIPO Report recommends that ICANN should adopt a dispute-resolution policy under which a uniform administrative dispute resolution procedure is made available for domain name disputes in all gTLDs. The scope of the procedure should be limited to cases of bad faith—abusive registration of domain names that violate trademark rights (also known as ‘cybersquatting’). Domain name holders alleged to be involved in cybersquatting would be required to submit to the procedure. The procedure would be quick, efficient, cost-effective, and conducted largely on-line. Determinations under it would be limited to orders for the cancellation or transfer of domain name registrations and the allocation of the costs of the procedure against the losing party. Under the dispute-resolution policy, registration authorities would enforce determinations. On 24 October 1999, ICANN approved its mandatory Uniform Domain Dispute Resolution Policy (UDRP).

Concerning new gTLDs, the WIPO Report says that the experience of the last five years in gTLDs has led to many instances of abusive domain name registrations and accordingly to consumer confusion and an undermining of public trust in the Internet. It has also required intellectual property rightsholders to invest substantial human and financial resources in defending their interests. The Report argues that this wasteful diversion of economic resources can be averted by the adoption of the improved registration practices, administrative dispute-resolution procedure, and a recommended exclusion mechanism.

With respect to the protection of famous and well-known marks, the paper first examines the protection of famous and well-known marks in terms of the Paris Convention for the Protection of Industrial Property and the Agreement on the Trade-Related Aspects of Intellectual Property Rights. Against this international background, the paper then surveys the strong statutory protection of marks against dilution. The WIPO Report also notes that famous and well-known marks have been the special target of predatory and parasitical practices on the part of a small, but active, minority of domain name registrants. The Report recommends that a mechanism should be introduced whereby the owner of a famous or well-known mark can obtain an exclusion in some or all gTLDs for the name of the mark where the mark is famous or well known on a widespread geographical basis and across different classes of goods or services. The effect of the exclusion would be to prohibit any person other than the owner of the famous or well-known mark from registering the mark as a domain name. Since such an exclusion would cover only the exact form of the famous or well-known mark, and since experience shows that cybersquatters typically register many close variations of famous or well-known marks, further procedures are also recommended. Such procedures would place the burden of providing justification for the use of a domain name on the domain name holder where the domain name is identical or misleadingly similar to the famous or well-known mark and the domain name is being used in a way that is likely to damage the interests of the proprietor of the mark.

The second two papers look at contractual issues. Pistorius and Hurter highlight the legal implications of trading on the Internet. They note that the

Internet has brought about fundamental changes to international commerce. Territorial borders and the borders that previously existed between companies and customers, sellers and purchasers and service providers and clients have all fused. All these parties to contracts now meet in virtual shopping malls and virtual boardrooms where the rules have changed, or where no rules exist. The application of principles of commercial law to electronic commerce is in many ways uncertain. These uncertainties have largely been brought about by the shift from paper to electronic trading. The question thus arises whether electronic contracts are binding and enforceable, and when and where they are deemed to be entered into.

The basic principles of South African law of contracts provide that where an offeror expressly or tacitly authorises his offeree to make use of postal communications, the principle is accepted that the contract comes into existence the moment the letter is posted or the telegram of acceptance is handed in at the post office. Where contracts are made by telephone, such contracts are regarded as analogous to contracts made where the parties are in each other's presence and the contract will be concluded when the offeror hears the acceptance. Equating e-mail and other communication applications of the Internet with 'direct' and 'instantaneous' communications, such as the telephone, is at best simplistic. The paper shows that, where the parties communicate via electronic media, differing opinions abound on when and where a contract is concluded.

The topics of 'shrink-wrap' and 'click-wrapped' agreements are also discussed. In most countries computer software is acquired with the relevant licence terms 'shrink-wrapped' — contained within the packaging of software and accepted by unwrapping the software. No signature denoting acceptance of the contract is required. A concept similar to the shrink-wrap agreement — the 'click-wrapped' agreement—has been developed for electronic commerce. In this case, a screen on a commercial website will display the terms and conditions of a contract. If the customer then wants to contract with the supplier through this 'electronic shop', she will be instructed to mouse click on certain icons to indicating her acceptance of the terms of the contract. The enforceability of 'shrink-wrap' and 'click-wrapped' agreements is examined and legislative measures adopted in the European Union and the United States are noted. The paper notes that some have concluded that shrink-wrap agreements are enforceable according to the South African law of contract.

In the discussion on online dispute resolution it is clearly illustrated that a legal framework needs to be developed that obviates reliance on the traditional cumbersome litigation procedures for e-commerce. Online dispute resolution by way of voluntary arbitration and decentralised rule making may provide for the cost- effective, expeditious and legitimate resolution of disputes. It is shown that presently, particularly in South Africa, disputes are resolved by way of formal litigation. Considering public and industry needs, especially with regard to costs, efficiency and the all-important time factor, the question is how long litigation will still be a viable option. It has been noted, that 'while parties prepare for a rapid expansion in Internet-related commerce they continue to rely on out-dated dispute resolution procedures.' As a direct and inescapable consequence there will be an explosion in the

number of disputes arising out of contracts concluded online, ranging from the day-to-day purchasing of consumer goods to multi-million dollar contracts. The paper concludes with recommendations for legislative reform.

The final paper in this section, by Pistorius, examines the validity of electronic transactions and especially authenticity and integrity issues around digital certificates and digital signatures. It notes that the expanding penetration of the Internet in trans-national transactions is alarming and an additional security concern of Internet commerce is the growing expansion of Electronic Data Interchange (EDI) agreements into open groups. Information security is one of the biggest challenges to global electronic commerce over open networks. The lack of cyberspace security may be ascribed to basic infrastructure design flaws, the ease of access to servers and insecure data transmission media. Although users embrace TCP/IP as the protocol of choice due to its ease of use and flexibility, the access codes can easily be duplicated and unauthorized access may then be obtained.

Internet contracts almost invariably involve foreign elements and conflict of laws thus plays an important role in determining the enforceability of contracts. Principles of South African contract law on the time when and place where an Internet contract will take effect, is however, obscure. Neither the expedition theory, nor the information theory may be applied with ease to the technological means whereby an e-mail or Internet contract can be formed.

It is against this background of increasing legal uncertainty and the exponential increase in international e-trade that the United Nations Commission on International Trade Law (UNCITRAL) established a Working Group to draft legal rules on electronic commerce. The UNCITRAL Model Law on Electronic Commerce was adopted on 12 June 1996 and aims to create a more secure legal environment for what has become known as "electronic commerce" by providing a tool for states to enhance their legislation as regards paperless communication and storage of information.

First the paper examines the background to the Model Law with reference to its objectives, scope, structure and approach the e-commerce legislation. Thereafter the Model Law's provisions are reviewed. Reference is made to: definitions, interpretation, variation by agreement, legal recognition of data messages, incorporation by reference, writing, signatures (including digital signatures), formation and validity of contracts, recognition by parties of data messages, attribution of messages, acknowledgment of receipt, and lastly time and place of dispatch of data messages.

In each instance the guidelines to enactment are discussed. Reference is also made to the enactment of concomitant legislative provisions in other jurisdictions. Here, in particular, the provisions of the United States draft Uniform Electronic Transactions Act, the Canadian Uniform Electronic Commerce Act and the Australian Electronic Transactions Act will be discussed.

The paper concludes by noting that numerous jurisdictions have adopted legislative measures to facilitate e-commerce moulding their enabling instruments on the Model Law. A similar approach is strongly advocated for South Africa.

## **4 Enhancing the information infrastructure for electronic commerce**

*The Technology and Economics of the Next Generation Public Network: Regulatory Implications*, John Joslin.

*Evolution of the Electronic Communications Regulatory Framework in the European Union*, John Joslin.

This category includes competition and trade-related issues, standards and Internet governance and comprises two papers by John Joslin. The first is a comprehensive analysis of existing and planned technologies that will have a profound affect on the quality and quantity of telecomm services available and dramatically change the economics of the ICT arena. It is put forward that there are massive benefits to be gained from a first class National Information Infrastructure. This is attainable via the new technology and the law of increasing returns that the author calls Moore's Law Plus. As a result of Moore's Law Plus, capacity per rand is improving by a factor of 32 every 5 years. After ten years for the same price the country could get 60 times the bandwidth! This has massive implications for the cost of service delivery and the economy as a whole.

The paper discusses packet switching at some length and contrasts it with traditional circuit switching. With the growth of the much more efficient packet using Internet Protocol and the growth of the Internet on landline and soon via wireless and satellite, South Africa's networks must be redesigned for data and Internet. This global de facto standard demands an overall switch to packet switching. There is hardly a supplier, or network operator or telecommunications analyst that doubts that the NGN will be packet switched. Such redesigns are taking place all over the world. One design is IP over Glass, which is more cost effective by about two orders of magnitude than running data on telephone networks as we now are.

The paper calls this IP packet switching network an NGN or Next Generation Network. Such an NGN will also be able to support multi-services and multi-media. This means it will be able to generate many revenue streams. Some services such as telephony will only use a fraction of the bandwidth in the future and so need only pay a fraction of the costs vs. almost full costs of the present mainly voice network. Thus such a course of action will bring many services sharing the same network that is continually being upgraded to make the services less expensive all the time. These massive benefits and the ever-increasing returns should be attractive to the country and the investor. But such benefits require considerable investments and continuous

upgrades and such funding will not come from the Government. The paper argues that the only way of getting such massive rewards is to open up to full and fair competition with a first class regulatory framework that takes into account convergence, the Internet, e-commerce and globalisation.

The evidence given on the results of full and open competition show how countries can get extensive foreign and domestic private investment and innovation. A Singaporean Minister is quoted saying: "The market will decide on the number of players." No country seems to be arguing that the state should decide on the number of telecommunications operators and service providers. The only monopolies or duopolies left are those being phased out. Legislators and regulators in North America, Europe, Australasia and increasingly in Latin America and Asia are letting the market decide how many operators, and service providers there will be.

To attract the investment we must open the market to full and fair competition and abstain from specifying that there will be two or three infrastructure operators. And to build a world class electronic communication infrastructure, to provide thousands of services economically, to meet universal services for all, to provide the basis for a New Digital Economy for South Africa, we need to create the investment, tax and regulatory framework that exploits Moore's Law Plus.

Joslin's second paper is a detailed analysis of Europe's 10-year legislative process on its way to becoming an Information Society. The paper explains that, since 1990, the European Commission has progressively put in place a comprehensive regulatory framework for the liberalisation of the telecommunications market. By allowing competition to thrive, this policy has had a major impact on the development of the market, contributing to the emergence of a strong communication sector in Europe, and allowing consumers and business users to take advantage of greater choice, lower prices and innovative services and applications.

This has been of vital importance to the EU's global competitiveness. An advanced communications industry is a pre-condition of Europe's transition to the Information Society with all the social and economic benefits that that entails. Information Society industries already contribute around 15% to growth of the EU's Gross Domestic Product and create one of every four new jobs in the European economy.

Without efficient, high quality communications, European industry, and in particular small and medium-sized enterprises (SMEs), face a major disadvantage in relation to their global competitors. The speed of technological development over the last ten years has led to the emergence of the Information Society and the convergence of the telecommunications, media and information technology sectors. As a result, the new information technologies will play an ever-increasing role with respect to the competitiveness of the European economy as a whole, as well as of its regions.

The paper draws many lessons for South Africa and argues that we should model our legislative reform on the European experience. Some of the recommendations include:

- A clear timetable and legal framework – Europe’s legal framework was worked out well in advance and a timetable was put in place.
- No restriction on the numbers of operators -As South Africa debates the number of service providers and network infrastructure operators to allow after the Telkom monopoly, it is useful to note that in the European Union an artificial *a priori* restriction of numbers was specifically prohibited.
- Universal service - Universal service can be provided in the context of an open and full competitive environment. In Europe, ensuring affordable access for all to communications services necessary for participation in the Information Society remains a key priority for the Commission.
- More general authorisations, less individual licenses - Europe has been moving away from individual licenses adjudicated and granted by regulators to more general authorisations.
- Interconnection – The paper notes that the greatest single problem facing new entrants in obtaining interconnection on fair terms is cited as being the reluctance, or lack of empowerment, of regulators to intervene in a forceful, timely and effective manner. When South Africa gets around to creating an open and fair competitive environment in services and infrastructure provision we need to take note of this barrier to competition and give ICASA the appropriate powers to take swift and strong action to insure interconnection.
- Single regulatory framework for communications infrastructure - Currently, different rules apply to the regulation of different communications infrastructure and associated services. But convergence means the same services can be carried over any transmission network, whether fixed or mobile, telecommunications or cable TV, satellite or terrestrial. Separate regulatory frameworks for different communications infrastructures and associated services are therefore likely to be inconsistent and could potentially distort competition.
- Technological neutrality - Technological neutrality means that legislation should define the objectives to be achieved, and should neither impose, nor discriminate in favour of, the use of a particular type of technology to achieve those objectives.
- Simplification of the law certainty and predictability – The paper notes the simplification of the law being proposed to the European Union. This new law proposal incorporates that which is necessary for full and fair competition in wireline, wireless and satellites and all electronic communication services and infrastructure as well as takes into account the consequences of convergence.