

19 May 2025

Secretary General Louise Mushikiwabo
International Organisation of La Francophonie
19-21 avenue Bosquet
75007 Paris
France

Dear Secretary General Mushikiwabo:

ACT | The App Association represents the global micro, small, and medium entity (MSME) technology developer community, located across the Francophonie world and around the globe. These companies drive a global app economy worth more than € 5.63 billion, providing countless jobs across International Organisation of La Francophonie (OIF) members and jurisdictions. App Association members leverage the connectivity of smart devices to create innovative solutions that introduce new efficiencies across consumer and enterprise use cases and rely on a predictable and fair approach to digital economy regulation to succeed and create new jobs. **The App Association community writes to call on the OIF to achieve and sustain growth through digital transformation by supporting MSME innovation and job creation.**

OIF members, already representing an economic area accounting for 25 per cent of world GDP, lead the globe in unlocking digital transformation opportunities across countless consumer and enterprise sectors and verticals. Enhancing participation in, and access to, the global digital economy must be a cornerstone of OIF's strategy to develop economic cooperation for sustainable development and create opportunities, particularly for micro/small/medium-sized enterprises (MSMEs). A successful digital transformation across OIF members will speed up investment and innovation, enhance competition, create jobs, reduce poverty, and generally improve the availability of goods and services. Notably, there are enormous opportunities for OIF members in both existing and emerging technology markets including artificial intelligence (AI), the internet of things (IoT), and quantum computing, among others. Further, OIF is well-positioned to seize these openings with leapfrogging opportunities in members and jurisdictions having fewer legacy physical and governance infrastructure challenges.

We encourage OIF to focus its efforts to achieve and sustain growth through digital transformation and call for OIF to strongly support the development of comprehensive digital trade rules that ensure Francophonie leadership is at the forefront of the fourth industrial revolution. Specifically, the OIF should support the following:

- **Enabling Cross-Border Data Flows:** The seamless flow of data between economies and across political borders is essential to the functioning of the global economy, and for MSME technology developers as they seek access to new markets.
- **Prohibiting Data Localisation Policies:** MSMEs companies looking to expand into new markets often face regulations that force them and other foreign providers to build and/or use local infrastructure in the country. Data localisation requirements generally hinder imports and exports, reduce an economy's international competitiveness, and undermine domestic economic diversification.
- **Prohibiting Customs Duties and Digital Service Taxes on Digital Content:** MSME innovators must take advantage of the internet's global nature to reach customers who live both inside and outside of OIF member countries. However, the tolling of data crossing political borders with the purpose of collecting customs duties directly contributes to the balkanisation of the internet. These practices jeopardise the efficiency of the internet and effectively block innovative products and services from market entry. We specifically call on OIF to support the prioritisation of making permanent the World Trade Organization e-commerce customs duty moratorium.
- **Ensuring Market Entry is Not Contingent on Source Code Transfer or Inspection:** Some governments have proposed policies that require companies to transfer, or provide access to, proprietary source code as a requirement for legal market entry. Intellectual property is the lifeblood of MSME technology developers' innovation; the transfer of source code presents an untenable risk of theft and piracy. Government policies that pose these requirements are serious disincentives to international trade.
- **Preserving the Ability to Utilise Strong Encryption Techniques to Protect End User Security and Privacy:** Global digital trade depends on the use of strong encryption techniques to keep users safe from harms like identity theft. However, some governments continue to demand that backdoors be built into encryption keys for the purpose of government access. These policies jeopardise the safety and security of data, as well as the trust of end users, by creating known vulnerabilities that unauthorised parties can exploit. From a privacy and security standpoint, the viability of a technology developer's product depends on the trust of its end users.
- **Securing Intellectual Property Protections:** The infringement and theft of intellectual property and trade secrets threatens the success of MSME innovators and hurts the billions of consumers, both in and outside of OIF member countries, who rely on their products and services. These intellectual property violations can lead to customer data loss, interruption of service, revenue loss, and reputational damage – each alone a potential 'end-of-life' occurrence for a small company. The adequate and effective protection and enforcement of intellectual property rights is critical to the digital economy innovation and growth.

- ***Avoiding the Misapplication of Competition Laws to New and Emerging Technology Markets:*** Various regulators, including key trading partners, are currently considering or implementing policies that would put mandates on nascent and developing emerging technology markets. For example, some regulators are jeopardising small businesses' ability to compete by upending the functionality of digital platforms that lower overhead costs, improve consumer access, simplify market entry, and strengthen intellectual property protections. Others are considering interventions into undefined and emerging technology markets, such as for artificial intelligence. Foreign governments upending technology markets through misguided regulations will disadvantage MSME innovators and serve as significant trade barriers.

We appreciate OIF's consideration of our community's views and commit to support OIF's efforts to achieve and sustain growth through digital transformation

Sincerely,



Morgan Reed
President

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