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**ICT AS AN ENABLER FOR GROWTH, COMPETITIVENESS  
AND DEVELOPMENT: IMPLICATIONS FOR NATIONAL  
AND INTERNATIONAL POLICIES AND ACTIONS**

**Interactive Thematic Session**

17 June 2004 – Summary prepared by the UNCTAD secretariat

1. The session was chaired by H. E. Mr. Dimiter Tzantchev, Ambassador, Permanent Mission of Bulgaria in Geneva, and moderated by Mr. Tadao Takahashi, Director-General of the Information Society Institute, Brazil. The keynote address was delivered by H. E. Mr. Leonel Fernández-Reyna, President-Elect of the Dominican Republic. A presentation was given by Mr. Juan Carlos Solines Moreno, Executive President of Gobierno Digital, Ecuador. These speeches were followed by interventions from delegates attending the session.
2. The session was devoted to the opportunities that information and communication technologies (ICT) created for economic growth and development, as well as the challenges that developing countries faced in their efforts to participate fully in the information economy. Speakers reaffirmed that ICT as an enabler for growth and development could benefit both developed and developing countries, provided the right policy measures and enabling environment were in place.
3. The digital divide, characterized by highly unequal access to and use of ICT, manifests itself both at the international and domestic levels and therefore needs to be addressed by national policy makers as well as the international community. The adoption of ICT by companies requires a business environment encouraging open competition, trust and security, interoperability and standardization, and the availability of finance for ICT. This requires the implementation of sustainable measures to improve access to the Internet and telecommunications and increase IT literacy at large, as well as development of local Internet content.
4. At the same time, e-strategies should be better integrated into the overall policy frameworks and strategies of countries. The inflow of foreign investments and international support through development cooperation measures is equally important. International support for efforts by African and other least developed countries to develop ICT was encouraged.

5. Strategies to improve access to ICT and the Internet include liberalizing local telecommunication markets to foster competition and creating a supportive legal and institutional environment to encourage investment in ICT. The aim should be to decrease the cost of Internet access for businesses and households, emphasizing broadband access. Ensuring the availability of a minimum supply of ICT infrastructure and electricity for remote and rural areas should be considered an important part of those strategies. Lowering the cost of PCs for targeted population groups and expanding the use of free and open-source software (FOSS) could also be considered as measures to improve access.

6. Speakers also noted that including ICT in the curricula of public educational institutions in particular and providing training in the workplace were important for increasing IT literacy, and that human resources development should be at the centre of e-strategies.

7. Electronic government could become a driving force in the implementation of national e-strategies, including online services offered by governments and e-business and e-payment operations undertaken through the public procurement process.

8. Speakers underscored the importance of ICT for enhancing the competitiveness of small and medium-sized enterprises (SMEs). Many SMEs, even in developing countries, have Internet access and use it to communicate with suppliers and customers, to search for business information and to showcase their products. These activities require affordable, high-quality access to the Internet and ICT products and services. One barrier still faced by companies relates to delivery logistics and delays in customs clearance. Here, ICT can contribute by computerizing trade logistics and customs systems, making them more efficient and transparent, and increasing trade flows. From a trade policy perspective, the WTO Information and Technology Agreement (ITA), concluded in 1996, forms a basis for liberalization and hence better dissemination of ICT products.

9. Speakers noted that outsourcing and exports of IT and software services were becoming an important source of economic activity and income for many developing economies. This trend will continue to grow and will contribute significantly to the increase in ICT-related exports from a number of developing countries. Other important sectors of ICT application include tourism, transport and finance. UNCTAD was encouraged to continue its important work on identifying sectors where the adoption of ICT could provide developing countries with new export opportunities, including drawing on the experience and expertise of other developing countries.

10. The relevance of the topic and UNCTAD's contribution to the second phase of the World Summit on the Information Society (WSIS), to be held in Tunis in November 2005, were emphasized. A concerted effort by governments, the international community, the business sector and civil society is necessary to ensure that the activities outlined in the Geneva Plan of Action are fully implemented. Closer international cooperation will help developing countries seize the benefits of ICT and use them to accelerate their economic development. UNCTAD is a good example of an international organization helping developing countries to adopt ICT through its regional conferences and expert meetings on ICT strategies and policies and the annual *E-Commerce and Development Report*.

11. The UNCTAD XI Partnership on ICT for Development, which was launched at the end of the session, was welcomed and supported by delegates, including as an important contribution to the second phase of WSIS. The partnership encompasses activities in the areas of FOSS, e-tourism, ICT policies, e-measurement and ICT indicators and e-finance.

12. The partnership on measuring ICT was considered an important framework for improving the availability of data and indicators in developing countries, which are a key input to designing and monitoring e-strategies and policies and to measuring the impact of ICT on development and their contribution to achieving the Millennium Development Goals. UNCTAD's e-tourism initiative was mentioned as another key contribution to helping developing countries develop their ICT capacities,

given the significant role of the tourism sector in many developing countries. The tourism industry is currently undergoing profound changes because of the Internet, which in turn provides new opportunities for tourism providers in developing countries. It was suggested that UNCTAD and the secretariat of the New Partnership for Africa's Development (NEPAD) collaborate in implementing the NEPAD Tourism Plan, to be adopted in July 2004.

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