The competitiveness of the European information and communication technologies industries ICT

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This Communication aims to set out a blueprint to help put information and communication technologies (ICTs) at the service of the worlds' poor. The report states that ICTs offer both challenges and promises for social and economic development and this is nowhere more apparent than in the world's poorest countries. The Communication states that the EU will support and use ICTs not as a priority sector, but rather as a tool to achieve the objectives within the focal areas and crosscutting themes of the new EC development policy. As such, ICTs are not to be considered in isolation, but as part and parcel of an overall development strategy. The Communication illustrates several concrete possibilities for ICT applications, notably in the context of the EC six development priority areas; trade and development, regional integration and co-operation, support to macroeconomic policies and social services, transport, food security and rural development and institutional capacity building. ICTs offer significant opportunities to decrease social and economic inequalities and to support sustainable local wealth creation, thus helping achieve the broader development goals. However, on the other hand, if misapplied ICTs might result in a further marginalisation of the poor, thus adding a digital dimension to the existing social and economic inequalities in and amongst developing countries. The rapid market and technological advances that are taking place in the area of information and communications technologies (ICTs) have an impact on almost all areas of society, not only in the north, but also in developing countries. While the socalled 'digital revolution' generates truly global information flows and profoundly changes the way businesses, markets and politics work, the term 'digital divide' indicates that not everybody benefits from these revolutionary changes. There is a wide gap between those who have access to ICTs and those who have not. According to the Communication, one third of the world's population has never made a telephone call. More than 3 billion people have no money to spend on communication services, or live in rural and remote areas, where access to information and communications technologies is scarce or absent. Development budgets are limited and development policy is a matter of setting priorities. This Communication makes one step forward. It is argued that, while ICTs are not to be seen as a priority sector as such for Community development cooperation, they do provide an important tool for more efficient and effective aid delivery and need to be recognised as an increasingly important element in the economic and social fabric of countries world-wide. Furthermore, this Communication also recognises that assisting the poor to obtain access to ICTs can indeed contribute to the fight against poverty. As stated in the Communication on the new EC development policy, poverty should not be defined merely as a lack of income and financial resources. It also includes the deprivation of basic capabilities and the lack of access to education, health, natural resources, employment, land and credit, political participation, services and infrastructure. When and where developing countries try to provide their citizens access to knowledge, information, and communications ataffordable prices, these efforts may therefore under certain circumstances qualify for support under the EC development cooperation programmes. This communication starts with a short introduction on the term ICTs and the activities of the international donor community in this area. Then it describes how the use of ICT tools can improve the effectiveness of development cooperation programmes. Subsequently it presents a section about how ICTs are currently used by developing countries, and what risks and constraints these countries are facing when they want to increase the utilisation level of ICTs in their society. Finally, this Communication summarises what, according to the Commission, the future role of the EU and the future actions of the EC in this area should be.