

LAUNCH OF “ICT IN DEVELOPMENT” Conference
Hon. Phillip Paulwell
Minister of Commerce, Science and Technology
HEART TRUST/NTA
Wednesday, December 11, 2002 – 9:30 a.m.

Salutations:-

Thanks to the efforts of the HEART/NTA, we are able to address at this critical time a theme that has become more and more central to the issue of development in Jamaica the influence of information and communication technologies and the efforts that we have to make to ensure that this influence is a positive and sustained one.

As you are aware, I have long remained personally convinced of the potential of ICT's to transform our country by creating new economic opportunities, enhancing the efficiency and competitiveness of local enterprise, and by its ability to facilitate greater transparency and responsiveness on the part of government.

ICT can be a powerful enabler of development as we seek to take advantage of the opportunities offered by the global networked economy. It is for this reason that the Jamaican Government has made ICT one of its main priority areas of focus.

In the recent past, we have witnessed significant growth of mobile communications, the increasing contribution of digital industries to growth and employment; the restructuring of businesses to make the most of new technologies, and we have also been laying the foundations for electronic commerce and e-governance.

Today, digital technologies make it easy and more cost-effective to access information, store it and transmit it. Taking digital information, transforming it into economic and social value, offers huge opportunities for the development of new products and services. Government and, indeed all sectors of our economy, must now adapt to the new economic paradigm – restructuring to become e-compatible.

Today, we embrace the concept that the digital revolution is not only about using the Internet as a platform for e-commerce. In a focused and dedicated way, we are implementing policies which seek to facilitate our industries to re-engineer their organization and processes - to use the Internet to increase their productivity – to widen their market reach – and to broaden their worldwide presence. We are convinced that digital technologies are the key to growth and employment.

Electronic transactions are set to become an important growth factor for our economy. However it also presents us with new and difficult challenges: above all - to remove complex legal uncertainties; and to create an environment in which both businesses and consumers can enjoy confidence and trust... while protecting our revenue base from any negative fallout.

As a result, we are seeking an appropriate framework of rules and codes of conduct, in areas such as taxation, tariffs, copyright, data protection, encryption, authentication, and liability.

Increasingly, information technology is being utilized to promote distance teaching as an integral part of our education and training system. All our secondary and tertiary educational institutions now have computer laboratories, while more than 60% of our primary and junior high schools are so equipped.

Through the Public Sector Modernization Project, we are making steady progress with respect to the delivery of public services and the engagement of increasing numbers of our citizens in the process of national development.

At the community level, we are equipping our post offices to become the hub of online activities where the ordinary citizen can send and receive e-mail, conduct transactions and in a fundamental way, embrace the technology as a way of life. Internet kiosks are now available at major population centres across Jamaica. Community Access Points are also being established in locations across the island, through the Social Development Commission and the INTEC Fund.

We are also moving ahead with the e-government component of the Jamaica Information and Communications

Technology Project. The objective of this project is the development of industries which create and contribute to growth...it will continue to orient the economy to becoming knowledge-based and service-oriented.

The e - government component of the project seeks to facilitate and enhance the relationship between the government and citizens through the application of electronic mechanisms. A critical element of this process is the enabling of fiscal agencies to offer online services, including payments.

The first phase of this project will include general consumption tax, income tax, national insurance and other statutory deductions. All government agencies that offer services to the public will eventually be enabled for electronic transactions.

The cost of implementing this project is estimated at US\$3.6 million and involves Internet network infrastructure and equipment. The modernization of the Customs Department

and the Office of the Registrar of Companies are among the Agencies well positioned for full on-line transactions, including the payment of fees.

The potential benefits to citizens, banks and the government will be significant and will justify the investment. In addition because of the impact that the development will generate in the Region and among other developing countries, we expect that it will attract international funding and multi-lateral support.

Plans are also at an advanced stage to implement the Portmore Telecity Network, which is part of an e-governance scheme, which aims to apply technology to solve community governance problems, and further bolster Portmore's reputation as a growing technology centre, in addition to its already existing Informatics Park.

This forms part of an "e-Governance" initiative spearheaded by community stakeholders in collaboration with Governmental organizations.

Since the liberalization of the telecommunications sector, the country has attracted significant investments, with the emergence of the two new players, more than doubling access to mobile telephone services.

In addition, Cable operators have now acquired telecommunications licences and some are beginning to put in place the infrastructure to provide fixed line telephony as well as internet services. In addition, small innovative start-ups are mushrooming. New entrepreneurs are beginning to find new niche markets in Internet services, providing content and software development.

We now want to see our cable operators using their licences to provide Internet access over cable. This will create additional business opportunities, possibly allowing small ISP's and cable operators to merge into more viable entities.

I am sure many of you can recall the situation prior to the liberalization of our local telecommunications sector? We

remember well the sometimes heated debates concerning the granting of five licences for 25 years to the then monopoly, Telecommunications of Jamaica, with the possibility of renewal for an additional 25 years to the year 2038.

September 1999 ... three short years ago marked the beginning of a new era in this history of this country, following the signing of an agreement with Cable and Wireless Jamaica Limited. This Agreement, you will recall, effectively terminated the monopoly conditions and revoked the previous 25-year agreement, and laid the foundation for the phased liberalization of the market over a three-year period.

We are now approaching the final phase of the liberalization process, which will commence in March 2003. This will make it possible for new players in the industry to offer international voice and data services ... giving rise to more players in the field and the creation of new services and even more business and job opportunities.

With liberalization has come;

- Revision of legislation to pave the way for Jamaica's entry into the modern era;
- More players in the telecommunications sector;
- Greater access to certain means of communication ... for example, mobile telephones ... by the general population.
- Improved and increased affordability of services because of increased competition;
- Lower prices, as in the current competition between Digicel and Cable & Wireless Jamaica, which has resulted in significant cost reductions;
- Greater access to information as more persons acquire computers which can now be purchased duty free;
- Greater possibility for increased efficiency and effectiveness in business;
- Increased employment opportunities for hundreds of Jamaicans;
- Increased scope for economic growth and development nationally ...to name a few.

This is the contextual framework within which this conference is being launched today. I certainly hope it will be

a success and look forward to the results of your deliberations.