

Webcast

PS5 – Strengthening Cohesion between European Regions

The session was given the challenge to consider how to increase the availability of the broadband in under-served locations and reduce the disparities between European regions in terms of the penetration of broadband internet access.

The main conclusions from the session may be summarized as follows:

- Broadband is a basic infrastructure which is needed to develop services.
- Public authorities can help with the creation and availability of markets by aggregating and stimulation demand for ICT with the assistance of local actors.
- Broadband matters both economically and socially. Enhancing regional development requires the creation of the broadband infrastructure, provision of services, and access to services.
- Comprehensive approach to sustainability of development of less developed and remote regions requires also raising awareness of advantages of ICT, skill development, and increase of motivation and trust among end users.
- Partnership between researchers, industry, policy makers and involvement of user groups are necessary to boost real regional development.
- ICT provides opportunities but it also brings about threats to less developed and remote regions in Europe because of globalization, outsourcing and relocation of economic activities. Given the complexity of Europe there are many different local, regional and national models to respond to challenges of globalization and to meet the requirements for long-term sustainability of remote and less developed regions.
- There is need to enhance the depth of the learning process at the European level by identifying models of good practice, the framework conditions for their implementation, the key success factors, the transferable lessons, networking and the development of implementation guidance.

Zsolt Nagy, Minister of Communications & Information Technology, Romania, noted that ICT indicators are increasingly used as a measurement of the competitiveness of regions and countries. Closing the digital divide by enhancing opportunities of regions is high on the policy agenda of Romania, as is the establishment of links with regions in other countries in view of learning from international experience. The aim of reducing the geographical digital divides defined in the Ministerial Declaration is a highly relevant policy commitment at the European level.

Susan M Binns, Director INFSO C, European Commission, outlined the Communication on “Bridging the broadband gap”. The underpinning objective is to make growth and jobs a reality in less developed regions and in rural areas by providing the broadband infrastructure as a necessary catalyst. At present there is gap in access, and the speed

tends to be lower and prices higher, discouraging internet users in remote regions and rural environment. The Member States are encouraged to revise their national broadband strategies by setting targets, and exchange best practices and information. Two policy impulses: increasing coverage and take up of ICT, and enhancing fairness, solidarity and cohesion are seen as the key features of the European Model. ICT is a basic infrastructure. Competition and dynamic markets are central but the governmental intervention has a role in areas which markets fail to reach. Member States and regions should not miss the opportunity to use Structural and Rural Development funds to respond to challenges of the geographical digital divide.

Regional Growth through collaboration, broadband infrastructure and new e-services combined in an innovation system – was presented as a model of good practice by Stefan Hedin, Mayor and President of the executive board, Sandvikens Kommun, Sweden. The challenge taken up by the public authorities in the late 1990s was to facilitate creating a market by building the ICT infrastructure. The broadband connection as ubiquitous network accessible to everyone, all the time, and everywhere, is an outcome of joint financial input from the EC structural funds, grants from the state, and contribution from operators and the municipality. The investment in the broad band built on a long-term perspective of economic and social development. The key success factors are the cooperation among local authorities, industry, universities, NGOs and local initiatives in the implementation of the broad band. The innovation system encapsulates regional and local infrastructure, high technical competence, and applications and services competence. The benefits of the regional broadband society innovation system are measured by increased attractiveness for international companies to establish offices in the region, creation of new companies and new jobs.

George Hall, Member of the Board of Directors - eris@ (European Regional Information Society Association) outlined how people who would profit most have no access to broadband and stressed the necessity to promote access to affordable, ubiquitous broadband infrastructure, and provide people with skills to use it. An example of good practice in the UK context is the aggregation of public sector demand by focusing on small-scale projects and bringing together public agencies operating at the local level. The initial difficulties in mobilizing the key actors were overcome when local and regional players took central stage in the initiative. The benefits to the local authorities are measurable in terms of cuts in their existing cost of the infrastructure such as telephone, internet, and ICT in the order of 40 percent. In addition benefits to the community are measured by the inclusion of other players in the market, namely SMEs and private households.

Mark Brailey, outlined Intel's vision of the role of industry as provider of options. The role of the private sector in creating new markets and making advancements possible was detailed. The "World Ahead Program" builds on principles of accessibility, connectivity and education. The government assisted PC program is an initiative to accelerate internet penetration by providing a PC to persons who cannot afford to purchase it. The coexistence of technologies such as WiFi and WiMAX with other such as fiber optic networks is seen as an advantage. WiMAX broadband wireless access technology is a

feasible option in particular in remote and rural areas as it does not require heavy works and does not entail very high deployment costs.