



Digital Opportunities for Poverty Reduction

Addressing the international digital divide

In March 2001, the OECD organised, jointly with the UN, UNDP and World Bank, a Global Forum to look at the role of ICTs in helping achieve shared development goals and co-operation to bridge the digital divide. The forum was a major part of OECD's response to the Digital Opportunity Taskforce (dot force) established by the G8 at their Okinawa summit in July 2000. It also linked to the work of the UN Economic and Social Council that is co-ordinating UN follow-up to bridging the digital divide as requested in the Millennium Summit Declaration. The forum brought together some 150 representatives of governments, civil society and the private sector—from both OECD and developing countries—and of international and regional organisations.

1. Information and Communication Technologies (ICT) should be seen as a means to help meet existing development objectives, in particular the international development goals for poverty reduction, education, health and the environment, not as a separate sector or end in themselves.
2. The digital divide is a symptom of existing economic and social divides, which will widen even further if developing countries are not helped to take advantage of ICT in tackling economic and social problems and are denied access to markets that are becoming increasingly ICT-dependent as part of globalisation.
3. Developing countries require assistance with developing ICT strategies as part of their comprehensive development strategies. Such strategies need to address intra-country divides – including the gender divide - by ensuring universal access. It is less a question of “leapfrogging” than one of deciding which technology model is most appropriate given a country’s circumstances and institutional capacity.
4. Strategies and goals require political will in both developing and developed countries. Training of future political leaders, including women, is vital.
5. More work is required to demonstrate the value of ICTs for development. For example in education to get beyond “either teachers or ICT” to using ICT as a vehicle for distance education and teacher training. This involves more research, analysis of benefits and opportunity costs, and sharing examples of impact.
6. The power of ICTs for knowledge sharing can make a major contribution to development with the potential to transform society through empowering individuals. Once there is access, the technologies can be adapted to meet local needs, even those of the poorest in society. Examples at the forum included crop prices, market information, exchange rates, e-journals to bridge professional isolation.
7. The full range of technologies must be considered – whatever is simple but effective – including posters, newspapers, fixed and mobile telephony, radio, TV, video and audio cassettes, CD-ROM, diskettes in addition to the Internet.
8. Telecentres/information kiosks/libraries/newsstands/convenience stores are some of the many ways to provide access. They can benefit whole communities, including schools, by providing tele-learning, tele-health, and even e-commerce for small entrepreneurs. They can be replicated and scaled up and have been shown to have a multiplier effect among early adopters.

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9. Local content and languages are key to gaining the critical mass for success. Content should respect local culture, include formal and non-formal information and be directly relevant to people's lives.
10. Training is essential, including in practical PC skills. Video and TV can play a major role. There are imaginative ways to appeal to children and youths – through brand names, sports or film stars, kids clubs where they can play or make e-mail friends around the world.
11. ICTs offer major opportunities for the development of micro-enterprise, via information, improved productivity, increased sales to a larger market, and facilitating micro-finance.
12. E-commerce, particularly business-to-business, has enormous potential for developing countries. The same issues apply as for OECD countries: building trust, enhancing access, ensuring competition, strengthening the regulatory environment, and maximising and sharing the benefits. Donors can help with establishing the appropriate regulatory environment for competition so that national and foreign private investment can play a major role, with necessary seed financing through public-private partnerships
13. The number of actors is large and growing. Indeed ICTs facilitate new forms of development co-operation. The actors have a mix of complementary roles, which include:
 - Developing country governments – Establish ICT national strategies and promote direct investment policies.
 - Donors – Use their co-operation programmes to address the digital divide – both directly and indirectly - and make more use of ICTs to deliver them.
 - Private sector - Promote technological transfer and human capacity building, cultivate business opportunities and co-operation with government, and enhance international partnerships.
 - Civil society - Pursue community level activities.
 - International and regional organisations - Strengthen co-ordination with institutions and donor countries in areas of research and project formulation.
 - Foundations – Make fullest use of private/public partnerships and help raise venture and seed funding.
14. A matrix at the forum - and on the Web- showed the activities of some 86 donor organisations. At present public and private donor ICT-specific programmes amount to at most \$500 million annually, much on ICT strategies, capacity building and infrastructure (c. \$40m). This excludes ICT fully integrated into education, health and other projects, as it is not separately identifiable.
15. There are already examples of public/private partnerships – the Health InterNetwork plans for authoritative health information, First on the Ground for humanitarian relief, the Imfundo project concentrating on education. There are also networks of volunteers with technical skills – UN's UNITEs, Japan's volunteer corps.
16. Examples of successful initiatives need to be shared widely through a "clearing house" so that countries can learn from each other. These could be South-South, North-South and South-North, adapting the successes and learning from the failures. Egypt has offered to build a resource centre for this. There could also be "road shows" to spread good practice.
17. The OECD has a major role to play:
 - sharing Members' experiences with the "new economy";
 - providing a forum to develop action plans, set benchmarks and monitor progress; and
 - co-ordinating donor programmes, with more use of ICT within them to reduce inefficiencies.

For more information, the full report, agenda, presentations, list of participants, and links to other sites visit the Forum Website: www.oecd.org/dac/digitalforum.