

Seminar: Fostering Internet Enterprise Development by Governments and by Large Companies through Subcontracting

Opening statement

Mr. George Kowalski

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of UNECE

Ladies and Gentlemen, on behalf of the United Nations Economic Commission for Europe and of its Team of Specialists on Internet Enterprise Development, I would like to welcome you all to the Seminar on Fostering Internet Enterprise Development by Governments and by Large Companies through Subcontracting.

After 15 years of reforms, the issues of economic transition have receded somewhat and those of innovation, growth and development are now on the agenda of the countries of central and eastern Europe and the CIS. Within this new agenda, the restructuring of economies towards knowledge-based economies has become one of the key concerns of policy makers. At the time when the European Union has given itself the challenge of becoming one of the most knowledge-based economic regions in the world, the issues of how to achieve knowledge-based growth in countries of central and eastern Europe as well as central Asia have become pressing.

It is our view that more emphasis is needed on matters related to innovation and growth stemming from the development of knowledge-based industries. It is particularly important for those countries that aspire to enhance their international competitiveness and to compete in the global marketplace.

Therefore, we have been taking steps to re-orient our programme of work in the area of Industry and Enterprise Development to reflect the changing environment. In this context, we decided to re-energize the Team of Specialists on Internet Enterprise Development of the UNECE with the assistance of Mr. Patrick Gannon.

As some of you may know, the Team of Specialists on Internet Enterprise Development promotes enterprise development in Europe and North America by taking advantage of the possibilities offered by the new information and communication technologies, including the Internet. To this end, it organizes educational seminars, assesses the readiness of countries in the UNECE region to the new economic and technological realities, issues publications, formulates best practices to be used by country governments and undertakes specific targeted projects. But I'll let Mr. Patrick Gannon, Chairman of the Team of Specialists, say something more about the activities of the Team when he addresses you.

Today's seminar will discuss two major themes that are crucial for Internet enterprise development in both industrialized countries and in emerging markets: first, the role of governments, and second, offshore outsourcing in the ICT industry.

As businesses make use of modern information and communication technologies to develop their activities, they evolve within framework conditions set by governments.

Therefore the policies, programmes and national e-strategies implemented by governments have a major impact on Internet enterprise development. Government action may foster or hinder this type of entrepreneurship. Today we will learn how governments in western and eastern Europe are striving to build an enabling environment that is conducive to the development of entrepreneurship by making use of modern ICTs. We will also discuss the outlook for government action in this field in the future.

The second major theme of today's Seminar is offshore outsourcing in the ICT industry. This type of business activity has grown strongly in recent years and is likely to continue in the future. This creates opportunities, but also raises fears and it is for no other reason that concerns have emerged in the political debate in major industrialized countries over this issue. Geographically, the process is spreading in terms of both source countries and destination countries. Specifically, it is affecting the European ICT industry. On one side, west European ICT companies are increasingly recurring to nearshore and offshore outsourcing part of their production processes. On the other side, some countries of eastern Europe and of the Commonwealth of Independent States are emerging as suppliers of this type of services. Today we will know more about the trends in offshore outsourcing, the risks and opportunities that arise from them and what is necessary in order to reap the potential benefits.

We have the pleasure of having here today Ms. Signe Ratso, Deputy State Secretary of the Ministry of Economic Affairs and Communications of the Republic of Estonia, who in her key-note address will show how Estonia emerged from the transition period to become one of the most advanced European countries in terms of ICT adoption, while successfully developing a host of on-line services and exporting software.

She will be followed by several presentations by leading experts coming from business, government and academia from western and eastern Europe and the CIS. I would like to thank all speakers in advance for their willingness to participate in our Seminar. Their presentations will widen the knowledge of participants and will certainly elicit their interest and enliven the discussion. Each presentation will be followed by discussion and you are all encouraged to participate in the debate.

The presence of you all –speakers and attendees– testifies on the interest generated by the activities of the UNECE and the TSIED in the area of ICTs and Internet enterprise development. I would like to invite you all to continue participating in our activities, of which you will be duly informed.

I wish you a successful seminar and I am looking forward to the presentations and discussion.

Thank you for your kind attention.