

# **PROSPERITY, COMPETITIVENESS, EFFICIENCY BUDAPEST INFOCOMMUNICATION SUMMIT DECLARATION**

2 December 2005

## **GENERAL PROVISIONS**

1. We, participants of the Budapest Infocommunication Summit and representatives of the ICT industry in the New Member States and Associated Countries express our strong belief that a key to a prospering enlarged European Union is to achieve the revised Lisbon Agenda goals and the i2010 objectives.

2. We declare that the goal to make the European Union the most competitive global player by 2010 can be achieved through fully acknowledging the important role of the Infocommunications sector in supporting the competitiveness of the whole European economy.

3. We declare that the economic growth and the competitiveness of the New Member States and Associated countries depend to a great extent on the improving performance and efficiency of the state and public sector. We believe that the Information and Communication Technology (ICT) sector can accelerate the modernization of the state and the public sector to become a high quality service provider for the citizens.

4. We reaffirm our commitment to research, technological development and innovation, these being the most important tools for future competitiveness in the highest value adding industry sectors, including the Infocommunications sector.

5 We believe that New Member States and Associated countries, and their ICT sectors in particular are in a special position, relating to their generally higher economic growth rate, which, if encouraged to further accelerate, will have a significant positive effect on the economic growth rate of all of the EU25 states.

6. We emphasize that the current discussions of the new Financial Perspectives of the European Union concerning the 2007-2013 period should take into full consideration the opportunity to accelerate the achievement of the Lisbon objectives by allocating the necessary resources to the development of the European ICT sector, with special emphasis on New Member States and Accession Countries.

7. We recognise the important impetus the World Summit on Information Society (WSIS) gave to the development of the global Information Society and we are committed to support these positive developments and the overall goal of an inclusive, citizen-centred information society.

8. We promote the cooperation between our countries based on common objectives and policies while continuing to improve Europe's standing in the world, taking into account the Conclusions of the European Ministerial Conference held in Budapest in 2004.

## **INFOCOMMUNICATION SPECIFIC PROVISIONS**

9. We are on the understanding that the ICT industry, that is infrastructures and services - both in private and public sector - can provide a general competitiveness increase to the entire economy.

10. We are aware that Information Society readiness is a key factor to future competitiveness of the European Union, and less developed regions are especially affected by many factors, including some infrastructural as well as service and societal aspects. Based on the above considerations, we are determined to reduce and fill every aspect of the ICT gap between less and more developed regions of the EU, which means improving: technology, infrastructure, content, application and knowledge.

11. We support the idea that ICT infrastructures, especially broadband should be categorised as basic infrastructures like transport and energy infrastructures, thus supporting the notion of Information Society. Especially in the view that such infrastructures are easier and cheaper to build than other basic infrastructures, and the return period of investment is relatively short, these should be given priority in less developed regions, in order to accelerate development.

12. Following this categorisation, we are on the opinion that making Cohesion Funds available for ICT infrastructure building, especially to increase the broadband access to all areas in less developed regions and to connect directly such national networks would provide significant impact on the rate of the convergence in these member states.

13. We believe that one of the keys to Cohesion and Competitiveness through ICTs for less developed regions is that they receive a substantial portion of the Structural and Cohesion Funds in the 2007-2013 period that can be used for the development of ICT infrastructures, services and ICT related education in these countries.

14. Recognising that R&D and innovation are key factors to competitiveness we fully support giving high priority to R&D and innovation in the ICT sector, the results of which will significantly advance the whole economy and will thus have a strong positive effect on the competitiveness of Europe.

15. We declare that the modernization of the state - that is a key condition to economic growth and competitiveness since it not only reduces the high budget deficits, but also helps governments to transform the public sector into an accelerator and not an obstacle to economic growth - can best be achieved through improving digital literacy, broadening e-government services, and multiplying the digital content and digital knowledge available for the citizens of NMS.

16. We believe that a strengthened ICT sector cooperation between less and more developed regions of the EU which concentrates on utilising mutually beneficial opportunities will strengthen cohesion in the EU. Based on a number of economic considerations we fully support the notion of "nearshore" outsourcing to ICT industry in less developed regions of the EU instead of outsourcing to other global locations.

## **VISION**

17. We believe that improving the ICT sector in less developed regions will lead to higher and faster economic growth in EU25, result in a disappearing digital gap, make the whole European Union a winning participant in the global economic race, and will provide equal opportunities for all citizens of the EU.