

CONFEDERATION OF ASIA PACIFIC CHAMBER OF COMMERCE AND INDUSTRY

Breakout Session: Asian ICT Council

October 22, 2008, 15:30-17:00

Champagne Salon, Manila Hotel

I. Opening Remarks by the Chairman

The Chairman, **Dr. Gwo-Jiunn Huang** welcomed the participants to the session. In his opening remarks, he highlighted the importance of ICT in the development of societies and economies. He went over the agenda, which underlined the need for the Asian ICT sector to work towards the common goal of ICT promotion.

II. Introduction of Participants

After his brief remarks, the participants introduced themselves and their organizations.

III. ICT Sector in CACCI Member-Countries

A. After the self-introduction, the resource speakers, the **Dr. Huang** and **Dr. Emma Teodoro**, made their presentations on the state of the ICT sector in Taiwan and the Philippines, respectively.

B. **Dr. Huang** presented the state of the ICT Sector in Taiwan.

1. He noted the paradigm shift in Taiwan, which has been progressing from industrial society to the information society. The corresponding government policies have been import substitution to export expansion requiring heavy industrialization to the adoption of high technology towards a knowledge-based and innovation policy.
2. Taiwan is one of the leading global players in the e-arena. Its leadership in the ICT sector bolsters its position in the global economy. A number of its ICT products are in the top 10 products in the world. A strengthened R&D contributed to its number 4 ranking in product development in terms of quantity and a number 14 ranking in global competitiveness index. Its adoption of ICT enabled the country to rank 13th in e-readiness. Taiwan is a leader in designing and manufacturing.
3. Dr. Huang noted societal progression from hunting/gathering to agricultural to industrial to the current information society and ubiquitous network society (UNS). He stressed the importance of innovation as societies move towards the information society and UNS. ICT is always evolving and moving towards a technological breakthrough. The convergence of digital technology is establishing systems to transfer services.
4. Dr. Huang stressed that in order to move fast, the best approach would be global thinking with local touch; to move from closed innovation to open innovation; and to transform digital divide into digital dividends. Noting the spillover effects of ICT development, Dr. Huang stressed the need to address digital divide in industries, to benefit SMEs particularly, in rural areas and in the global economy especially the least developed economies.
5. The way forward in the 21st century will be rightward thinking, focusing on creativity. The 3As - abundance, Asia and automation will play an important role in the paradigm shift. Dr. Huang expressed confidence in the younger generation's capacity to adopt to the paradigm shift.

6. Dr. Huang informed the forum of the 2011 IDA World Congress, the first world design congress.

D. **Dr. Teodoro** presented the ICT development in the Philippines which is mainly a service industry composed of contact center operation, back office processing, shared services, software development, architectural and engineering services, animation services, transcription services and games development.

1. ICT is the fastest growing sector of the Philippine economy whose steady growth makes it the second frontrunner to India in the global outsourcing business. Total revenues of export of services of the country at US\$ 8.4 bn in 2007.

2. Internet usage has grown much higher over the past 5 years. It is estimated that about one fourth of the population is using internet and this is mainly due to the government's programs to put PCs and internet connection in all schools and the inclusion of computer literacy in curricular programs of all schools.

3. However, the IT-BPO industry faces challenges including volatile currency exchange rate, increasing salary, manpower development, management of growth and infrastructure development.

4. The Philippine government has been very supportive of the ICT sector:

- It has prioritized the use of ICT in government agencies.
- The Commission on Information and Communications Technology (CICT) plans to have a nation-wide coverage to enable the entire Philippines to be electronically connected to exchange information
- The Department of Trade and Industry (DTI) has been promoting investments in the IT-BPO sector and working with government and private organizations for the implementation of the IPR Laws and e-Commerce Act of the Philippines.
- Real estate developers enjoy incentives for developing IT parks.
- The Technological Education and Skills Development Authority has allocated substantial training fund.

5. The Philippines has one of the highest penetrations of cellular phones in the market and one of the highest if not the highest usage of SMS in the world.

6. In conclusion, Dr. Teodoro proposed that the region undertake areas of cooperation in the standardization in the classification of activities, joint manpower development programs and advocacy for easier movement of people to be able to share expertise and skills.

IV. Dr. Huang, wrapped up the session by presenting the proposed future activities for ICT:

1. Membership and expansion networking
2. Training programs
3. Publication of newsletter

V. The next meeting was scheduled to be organized in conjunction with next CACCI meeting. Dr. Teodoro suggested the use virtual meetings for the Council to utilize ICT.

Report submitted by:

Rhuby Conel
Andrea Edelmuller