

BRIEF ON THE GLOBAL DIGITAL SOLIDARITY FUND (DSF)

AFRICAN EXPERTS AND MINISTERS IN CHARGE OF
COMMUNICATION AND INFORMATION TECHNOLOGIES
CAIRO, EGYPT 11-14 MAY 2008

INTRODUCTION

The Global Digital Solidarity Fund is an African idea, and a common initiative of all African States. In order to move from digital divide to digital solidarity, H.E. President Abdoulaye Wade, of Senegal, on behalf of the African Union (AU) and the New Partnership for African Development (NEPAD), presented the idea of creating the Global Digital Solidarity Fund (DSF), during the first Phase of the World Summit on the Information Society (WSIS) in December 2003 in Geneva. The suggestion was made because Africa was, and still is, the most disadvantaged region of the world in the evolving Information Society, and the existing development assistance programmes are inadequate to address the developmental challenges in Africa, including that of the digital divide.

African States saw the digital divide as a specific problem that required special solution, similar to that as for the Aids pandemic. Today, for example, more than 75% of the world's internet users live in the developed world that contains less than 15% of the world's population. Everyday, the gap between Africa and the industrialized world in terms of access and the use of ICTs for development, is widening. On daily basis, thousands of youngsters leave the developing world for America and Europe, most times even risking their lives, in search for opportunities to flourish, a future that their countries of origin cannot offer. That future lies in access to ICTs, which contributes to the economic success of industrialized and emerging economies. It is sad that, more than 80% of human population do not have access to information and knowledge acquired through the use of ICTs and, therefore, cannot be part of the economy now driven by ICTs.

For African States, it was essential that the World Summit on the Information Society (WSIS) process, should yield a concrete result, through the creation of a global fund entirely devoted to the fight against the "digital divide". It is a big challenge that, at the beginning of the 21st Century, in an increasingly globalized economy, 80% of the world population has no access to Information and Communication Technologies (ICTs). For the past 20 years, we have been witnessing a new inequality between the rich and the poor: the gap between the haves and the have-nots of the digital era. It is an inequality that dangerously aggravates the existing divides between the peoples of the world. To be info-poor in the digital era means to be denied the right of access to knowledge and to the latest advances of humanity.

The importance of ICT does not need to be overemphasized to this well informed group. However, the situation below illustrates the point:

- More than 50% of economic growth in the industrialized countries is generated by the new Information and Communication Technologies;

- 6% of the GNP of industrialized countries come from ICTs;
- Internet penetration in Africa as at December 2007 according to Internet World Statistics is about 4.7% compared with 43.4% in Europe , 71.1% in North America, 57.1% in Oceania/Australia, 22.2% in Latin America/Caribbean, 17.4% in the Middle East and 13.7% in Asia. In terms of % of world usage of the internet Africa is 3.4%, Asia 38.7%, Europe 26.4%, Middle East 2.5%, North America 18%, Latin America/Caribbean 9.6% and Oceanic/Australia 1.5%. The situation in Africa is very serious taking into account that about 14.2 % of the world population are from the continent and a very high number of the internet users in Africa are nationals of other parts of the world residing in Africa.

The effort to bridge the digital divide and to promote the good use of information technologies for development are essential aspects of the fight against poverty, and part of the United Nations Millennium Declaration and the Millennium Development Goals. In December 2003, during the first phase of the World Summit on the Information Society, in Geneva, a coalition of the willing decided to “set the example through action” by creating the Global Digital Solidarity Fund. It was a victory for African and developing countries that solidly stood for the Fund. The Fund appreciates the commitment of all African leaders particularly for their vision and support for the creation of the Fund as a concrete step to help the marginalized and the under-served communities to become part of the evolving Information Society. The DSF commends all AU members for their positive and constructive roles in the negotiations that led to the creation of the Fund.

MISSION OF THE DSF

The mission of the Global Digital Solidarity Fund (DSF) is to reduce the digital divide which invariably contributes to the creation of a fair and all-inclusive information society by:

- Putting information and communication technologies at the service of human development;
- Facilitating access to the society of knowledge for everybody;
- Contributing to the Millennium Development Goals.

OBJECTIVES OF THE FUND

The objectives of the Fund include the following:

- To ensure affordable and fair access to the information technologies and their contents for everybody, especially marginalised groups
- To promote such access as a basic right in both the public and private domains, irrespective of market fluctuations, growth and profitability, with respect for an information society that is socially, culturally, economically, financially and ecologically sustainable
- To guarantee access to information and knowledge to everybody, contribute to the autonomy and healthy development of each individual, and strengthen

the commitment of local collectivities at the social, political, economic and cultural levels

- To reduce economic, social and cultural disparities by the mobilization of fresh resources generated by innovative financial mechanisms for development, in particular the “one percent for digital solidarity principle” a financial tool specifically devoted to the fight against the digital divide.

MEMBERSHIP OF THE DSF

The Fund was legally established in August 2004, as an innovative and complementary financing mechanism of a voluntary nature that would mobilise resources and implement projects aimed at bridging the digital divide. Membership of the DSF is open to all stakeholders. Today, there are 26 Founding Members of the DSF:

- 16 Nation States: Algeria, Saudi Arabia, Burkina Faso, Cameroon, China, Cuba, Dominican Republic, France, Ghana, Equatorial Guinea, Kenya, Mauritania, Morocco, Nigeria, Senegal and Tanzania.
- 8 cities and regions: City of Dakar (Senegal), City of Geneva (Switzerland), City of Lyon (France), City of Paris (France), City of Saint Domingo (Dominican Republic), Rhône-Alpes Region (France), Piedmont Region (Italy) and Malaga City (Spain);
- 1 international organization: the International Organization of the Francophonie (OIF); and
- A private company : StratXX SA

INAUGURATION OF THE DSF

The DSF is placed under the surveillance of the Swiss Confederation, with its Headquarters in Geneva. The Head Office and equipments in it were graciously donated by the City of Geneva as part of its support for the Fund. The DSF was officially inaugurated in Geneva on 14 March 2005.

INTERNATIONAL RECOGNITION FOR THE DSF

Since the inauguration of the Fund, it has continued to receive international support and recognition. In September 2005, in New York, the Fund was unanimously welcomed by the Heads of State and Government gathered at the United Nations Millennium +5 Summit. In November 2005, in Tunis, it was also welcomed by the Heads of State and Government gathered at the second phase of the World Summit on the Information Society. In addition, the Fund has received political backing from:

- The African Union, at the Summit of Heads of State of the African Union (2004, 2005 and 2006) ;
- The United Nations Resolution A/RES/60/1 of September 16th 2005
- The United Nations Resolution A/RES/60/188 of 22nd December 2005
- The Tunis Commitment and Tunis Agenda of 18 November 2005
- The International Telecommunications Union (ITU) Resolution (GT-Plenary/5, Antalya 2006)
- The 2638th Session of the European Union Council of 17 February 2005

- The 5th Summit of Heads of States and Governments of the ACP Group of States (Khartoum, Sudan, 8th December 2006),
- The International Organisation of the Francophonie (OIF) and the Francophonie Summit (Ouagadougou, November 2004 and Bucharest 2006);
- The European Union, through the decision of the European Council of Ministers for Economy and Finance (Brussels, February 2005);
- The Organization of Islamic Conference at Summit levels (Makkah Al Mukarramah, December 2005 and Dakar, Senegal in March 2008);
- ICT African Investment Summit (Accra, Ghana July 2007);
- Connect Africa Summit (Kigali, Rwanda October 2007);
- The Leading Group on Solidarity Levies to Fund Development¹

The Global Digital Solidarity Fund is a young institution. Yet, in its short history of existence, it has obtained the political support of the whole international community. This is mainly due to the strong determination driven by African leaders for the Fund. There is however the need to move from political support to concrete actions to enable the DSF delivers on its mandate.

MOBILIZATION OF RESOURCES

The Fund mobilises all partners who are committed to the use of ICTs for development, and that is why it is open to all stakeholders: public authorities (states, regional and local authorities), international and regional organizations, business sector entities, and civil society. It is administered by a quadripartite Foundation Board, formed by its 26 Founding Members, representing in equal parts: public authorities, local authorities, the private sector and civil society from all regions of the world.

The DSF raises its resources through the generous contributions and donations of members. This would however, not be adequate to address the enormous challenges of the digital divide. The Fund, therefore developed a sustainable, innovative and voluntary financing mechanism for its activities and projects, called the 1% Digital Solidarity Contribution. This is a 1% contribution on public ICT procurement contracts, paid by the vendor (from his/her profit margin). The 1% principle would be clearly stated in the public bids, and the winning vendor would commit to contribute 1% of the transaction to the Fund. In recognition, the contributor receives a "digital solidarity" label. For example, a city, a region, a country or a private business or the AU secretariat, can decide to introduce a digital solidarity clause in all its bids related to the ICT sector. The terms of this clause states that the vendor who wins the bid will pay 1% of the contract transaction to the Global Digital Solidarity Fund. For the winning vendor, this is neither a tax, nor a donation: it is an investment in the same sector of activity, as money realized will be used to open new markets in the developing world. The ACP summit held in Khartoum in 2006 has accepted the 1% Digital Solidarity Principle and called on its development partners to implement it. Already the following have adopted or are applying the 1% Principle:

¹ The Pilot Group is composed of 54 countries both from the developing and developed Nations.

- City of Geneva,
- Cantonal Hospital of Geneva,
- Hotel Intercontinental Geneva,
- BCom Ltd,
- Comsoft Direct SA,
- Corris SA,
- Dimension Data SA,
- E-Secure Sarl,
- Hewlett-Packard International Sarl,
- Ilem SA,
- Sopra Informatique SA,
- Telecom Systems,
- City of Lausanne ,
- Hospital of Lausanne and
- The Republic of Senegal.

The 1% Digital Solidarity Principle (also known as the Geneva Principle) has been included in the International Convention on financing Digital Solidarity, which was recently endorsed by the Leading Group on Solidarity Levies to Fund Development. This Convention will be presented for adoption during the International Conference on Digital Solidarity which is to be held at the invitation of France's President, Nicolas Sarkozy, this autumn in Lyon (France), prior to the Doha Conference on Financing for Development

CRITERIA FOR PROJECT FINANCING

The Fund is a financing Foundation that subsidises community-based projects addressing insolvent demands, in order to create new activities, new jobs and new markets. Such community-based projects must:

- Respond to the real needs of communities;
- Be adapted to field realities;
- Be respectful of local knowledge;
- Be easily replicated in other communities;
- Provide partnerships between public sector, private sector and civil society;
- Ensure traceability, transparency and accountability of the financial support.

Priority would however, be granted to projects involving women's organisations – as they are the main providers of food, education, and healthcare. As a financing institution, the Fund allocates:

- 60% of its resources for projects benefiting least developed countries (34 out of 49 countries in the world in this category are in Africa);
- 30% of its resources for projects benefiting developing countries (other African countries not in the above, fall in this category);
- 10% of its resources for projects benefiting countries in transition.

Organizations presenting the proposal must provide their statutes, administrative structure and managers, activity reports for the last two years, accounts and balance sheets as well as reports of audited accounts for the last two years. Where such an organization is less than two years old, the local authority where the organization is

based and/or project is to be sited must provide attestation on the organization and leadership. Government agencies, local authorities, international and regional organizations as well as development institutions can also partner with the Fund, to implement projects rural and marginalized communities within the national development programs of countries.

Guidelines for Processing Requests

Requests for financing of community-based projects using ICTs are subject to acknowledgement within 10 days of receipt by the Fund. After the acknowledgement, the request goes through 3 phases:

- **Identification Phase-** At this phase, the project proposal is examined to determine whether it could move to the next phase. This stage is administrative and the process takes a maximum of 20 days.
- **Evaluation Phase-** At this phase, the project is subjected to detailed examination and it takes a maximum of 60 days. This examination is undertaken by the Scientific Committee. They will among other things cover the following items: appropriateness, feasibility, usefulness, durability, reliability, replicability, cost-efficiency, result indicators, traceability of financial contributors, procedures of implementation, monitoring and evaluation of the project as well as contributions of information technology and verification of technical aspects of the project.
- **Selection Phase-** At this phase, the project is submitted for a decision for grant. This phase takes 10 days to conclude.

After acknowledging the receipt of the proposal, the Executive Secretariat evaluates whether the project is in conformity with the criteria of the Fund stated above. The structure, activities, statutes, financial reliability, officials etc of the organization that submitted the project must be provided. Based on these examination and evaluation, the Executive Secretary makes recommendation to the Executive committee for a decision. When a decision to finance the project has been taken, monitoring procedures are set in motion. Quarterly summary and detailed annual reports are submitted to the Executive Committee and the Board. The project is also placed on the website. When the project is satisfactorily completed, the organization that presented it sends a report to the DSF which can direct an independent review and after satisfactory report; the Executive Committee and the Board are informed of the completion of the project.

PILOT PROJECTS

As soon as it became operational, the Fund responded favourably to the first request for financing. The Fund's first project was the complete reconstruction of the information system of the Banda Aceh Municipality in Indonesia which was totally destroyed during the 2004 tsunami disaster. Next, it decided to support vulnerable populations, mainly women and children affected by HIV/AIDS in Africa. The Fund has established and now runs 10 projects in the area of tele-medicine and tele-education, six in Burkina Faso and four in Burundi both in Africa. These Pilot projects especially in Africa are designed to provide ICT and Internet access for communities engaged in the fight against HIV/AIDS have been put in place by

the DSF in Burkina Faso and Burundi. Offering support to existing programmes, they contribute to social and economic development by:

- a) establishing communications (tele-medicine) between the affected communities and the different centres of expertise on a national, regional and worldwide scale, and so facilitate exchanges of information and know-how and provide medical and social support to patients and their families;
- b) creating conditions conducive to the emancipation of vulnerable populations, in particular women and children, through access to the computer as a learning tool (tele-education), and the World Wide Web as a source of information;
- c) developing skills among local populations in the field of ICT (ICT training courses), with the objective of strengthening human capacities and developing income-generating activities.

The installation of a satellite broadband connection permits the deployment of local radio loops (WIMAX) and creates conditions for:

- improved coordination between all the actors (communities, medical structures in the public and private sectors, research institutions, NGOs) engaged in the fight against HIV/AIDS;
- the housing and centralization of data bases on prevention, treatment, patient care and follow-up;
- the establishment of a more efficient follow-up and evaluation system;
- distance training and support of medical and paramedical personnel within the health structures;
- the development of telemedicine (imaging, advice to physicians, remote consultations) to provide improved facilities for remote communities;
- The development of income-generating activities associated with ICT services to promote the self-financing of community structures over the medium and long term.

The Four pilot sites in Burundi are as follows:

- National Board for the Fight against AIDS (CNLS CHU Kamange) Bujumbura
- National Association of Support for HIV-positive People and AIDS Sufferers (ANSS) Gitega
- Society of Women Against AIDS in Africa (SWAA) Ngozi
- University of Bururi Bururi

The Six pilot sites in Burkina Faso are below:

- African Solidarity Association (ASA) Ouagadougou
- African Solidarity Association (ASA) Zorgho

- Association for Moral, Material and Intellectual Support for Children (AMMIE) Ouahigouya
- Hope and Life Association Banfora
- Responsibility Hope Life and Solidarity Association (REVS+) Bobo Dioulasso
- Responsibility Hope Life and Solidarity Association (REVS+) Diebougou

Additional projects are still in the pipeline for the continent. Each beneficiary site has been fully equipped with broadband satellite connection, around 40 computers and all auxiliary IT equipment, including video-conference and other facilities necessary to the good functioning of the sites. WI-FI networks are also in the process of being deployed, to provide a connection to nearby clinics, hospitals and other public institutions. Hundreds such projects are feasible, not only in tele-medicine and tele-education, but in all fields of activity; including public administration and services to citizens, training and employment, income-generating activities and business creation, land and natural resources management, and in the field of arts and culture.

In parallel to financing community projects, the DSF has launched two Digital Solidarity Programs in the areas of e-health and e-education. These programs call on public authorities, National and local authorities and private companies of industrialized Nations to finance digital projects in developing countries and particularly within Africa.

The e-health program aims, in its first phase, to mobilize sponsorship to implement telemedicine units in 1'000 district hospitals in Africa. These telemedicine units would enable district hospitals to be incorporated within national and regional networks.

The e-education program aims to equip African primary schools and high schools with internet connections, as well as white boards, to favour integration of these schools and their students with globalisation.

Furthermore, [the Global Digital Solidarity Fund \(DSF\) in cooperation with the Hewlett-Packard Corporation and Empa \(Swiss Research Institute for Material Science and Technology\)](#) have launched an electric and electronic waste management improvement programs in 5 African countries.

These programs will provide answers to e-waste management within the context of each country. The programs aim at achieving the following:

- Make recycling of electronic equipment safer.
- Local jobs creation in the sector.
- Develop blueprints for sustainable e-waste management system in African countries, in collaboration with existing local recycling projects.
- To gain insight into e-waste recycling operations in order to replicable the pilot projects for the processing of e-waste in other countries.

The outcome of programs will lead to concrete proposals designed to:

- Protect the people of Africa and their environment from the damaging effects of e-waste;
- Make the e-waste processing sector more viable by creating jobs and seeking to improve working conditions in this sector.
- By sharing knowledge between countries and learning from other continents, new usage and potential markets for recycling products can be explored and will create a safer environment for Africa.

The DSF's vision for reducing the digital divide by 2015 to achieve the Millennium Development Goals is now a real possibility. There are opportunities offered by innovative information technologies and the Fund is working with those developing these technologies. Please take your time and visit our website at www.dsf-fsn.org and newsletter for more information.

AFRICAN REGIONAL BUREAU OF THE DSF

Upon completion of pilot projects mentioned above, the Fund is now preparing to extend its action to all African countries. This action is encouraged by the fact that ICTs are formidable engine for development, for above all, they enable access to knowledge. They facilitate democratic practices, the respect of the rule of law, transparency and accountability. The African Regional Office was established, to mobilise support for the Fund and supervise the implementation of projects on the continent. Since its establishment, the African Regional Bureau has written to all the African High Commissioners and Ambassadors in Nigeria and other stakeholders soliciting their support and assistance for their countries to join the DSF and make contributions to it. The Regional Bureau has also met with several African Communication Ministers at the margin of international conferences. The Regional Bureau has also written letters to regional organizations and development institutions especially African Union (AU), New Partnership for African Development (NEPAD) Secretariat, African Development Bank (AfDB), Economic Community of West African States (ECOWAS), Southern African Development Community (SADC), Community of Sahel-Saharan States (CEN-SAD), Economic Community of Central African States (ECCAS), Economic Commission for Africa (ECA), East African Community (EAC), Arab Maghreb Union (AMU) etc. These engagements led to the signing of MoU with CEN-SAD and NEPAD e-Africa Commission. The Fund has also appealed to the AU Commission to help mobilize support for the Fund, particularly for all African countries to join the DSF.

The essence of these communications is to provide the stakeholders with information on the fund and solicit support for it.

CHALLENGES AND THE WAY FORWARD

The challenge of the digital divide is huge but the resources to address them are limited. For this reason, the major objective of the Fund is to ensure a stable financial income. To do so, the Fund's strategy is to:

- Mobilise more stakeholders, particularly states and local authorities, international and regional organizations as well as business sector entities to join the Fund;
- Mobilise additional funds through the application of the "1% digital solidarity principle";
- Attract development partners particularly the EU could directly support field projects.

In November 2008, France will host World Conference on Digital Solidarity in Lyon to mobilise additional resources. This Conference would also be an opportunity to set the international conditions allowing for the implementation of the "**1% digital solidarity principle**" by all voluntary stakeholders. Among these conditions: the adoption of the International Convention on Digital Solidarity. At this occasion, the DSF will also present its concrete programs on e-health and e-education .

CONCLUSION

In view of the above the DSF is appealing to the African Experts and Ministers in charge of Communication and Information Technologies to:

- **Urge and call on all African countries that are yet to join the DSF to do so.**
- **Urge all African countries to fully support the international Convention on the Financing of Digital Solidarity.**
- **Recommend to the next AU Summit, the adoption and implementation of the 1% Digital Solidarity Principle in all African countries.**
- **Help in mobilizing support for the DSF among AU members and adopt a resolution on the DSF at the next AU Summit.**
- **Help mobilize the international community to support the DSF and its programmes aimed at bridging the digital divide in Africa.**
- **Facilitate African Union Commission Secretariat joining the DSF as a Regional body and implement the 1% Digital Solidarity Principle.**
- **Recommend that AU Commission Secretariat participates in partnership projects with the DSF to implement community-based projects in Africa.**
- **Support France in the convening of the World Conference on the DSF in November 2008.**

It is very important for all the regional organizations and countries in Africa to join the DSF and implement the 1% Principle because the support that the Fund would get from other regions of the world would largely depend on the support that it gets from Africa, which would be the major beneficiary of the Fund's activities.

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23 rd April 2008.