



ON THE ROAD TO DOHA

The 1% digital solidarity contribution

Geneva, 6 November 2007

The 3 missions

- **Short term** **Emergency assistance**
(delivery of reconditioned computers and telephone sets)

- **Medium term** **Development aid**
(community-based projects involving ICTs)

- **Long term** **Financing mechanisms**
(the digital solidarity contribution)

On the road to Doha

- The Millennium Development Goals (MDGs)
- Costs and funding
- New financing mechanisms for development
- The Leading Group
- The next 12 months
 - . From States to local authorities
 - . From health to education
 - . From the levy on air travel to the 1% digital solidarity contribution
- The Senegalese presidency, and the 8 States members of the Group and also of the Fund
- The Doha Conference (December 2008)

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Millennium Development Goals

- The political declaration *New York, September 2000*
- Costs and funding *Monterrey, March 2002*
- MDG + 5: achievements to date? *New York, September 2005*

On the road to Doha: financing the MDGs (\$50 billion) thanks to

- Official budgetary support (0.7% GNP)
- Public-private partnerships
- New financing mechanisms for development

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New financing mechanisms for development

- **The pioneers** *France, Brazil, Chile, UN-SG
+ Algeria, Germany, Spain
(Geneva, January 2004)*
- **Heads of state** *79 heads of state - MDG + 5
(New York, September 2005)*
- **Governments** *Ministerial Conference
(Paris, February 2006)*

Ministries and the Leading Group

(from 38 countries to 54 countries)

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The Leading Group

- **Origin**
 - . Paris Ministerial Conference (*February 2006*)
 - . Landau Report
- **Organisation**
 - . 54 Member States (*+ 2 observer countries, IOs and NGOs invited*)
 - . Six-monthly presidency
 - *Brazil*
 - *Norway*
 - *South Korea*
 - *Senegal*
 - . Permanent *secretariat*
(*France – Ministry of Foreign Affairs – Department of Economic and Financial Affairs – Amb. Christian Masset*)
 - . www.solidarite-mondialisation.org

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Mandate and working method

- **Mandate** Identification, definition, diffusion and implementation of new financing mechanisms for development
- **Method** For each mechanism:
 - *definition and potential revenue*
 - *examining suitability, usefulness and acceptability*
 - *examining feasibility (pilot phase)*
 - *examining widespread deployment and possible obstacles*
- **Meetings**
 - . Working groups (Task Force for each mechanism)
 - . Meeting of experts
 - . Plenary meeting
 - *Brasilia (July 2006)*
 - *Oslo (February 2007)*
 - *Seoul (September 2007)*
 - *Dakar (April 2008)*

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New mechanisms

- **Existing mechanisms**
 - . Solidarity contribution on air tickets (UNITAID)
 - . International Finance Facility for Immunisation (IFFIm)
- **Projects**
 - . Fight against tax evasion
 - . Taxation of foreign exchange transactions
 - . Migrant remittances
 - . Innovative financing and protection of the environment
 - . The 1% digital solidarity contribution

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The 1% digital solidarity contribution

- The 1% digital solidarity contribution is an initiative of the African Union and its Member States, promoted by Senegalese President Wade. Its aim is to bridge the digital divide and achieve digital solidarity, guaranteeing equal access to knowledge.
- The financing principle: a 1% contribution on IT-related local authority procurement contracts.
- The intervention principle: financing community projects involving information technologies, costing up to €500,000.

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Successes and difficulties

- The 1% digital solidarity contribution is a new financing mechanism that benefits from solid public support. Its suitability and feasibility are widely recognised.
- Effective implementation of the contribution has met with certain difficulties, due to
 - . Differences between the statutes of local authorities
 - . The need to adapt national legislation
- To overcome these difficulties and ensure widespread adoption of the digital solidarity contribution, an international agreement needs to be established, under which the signatory states authorise their local authorities to implement the 1% digital solidarity contribution.

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Objectives of the Fund within the Leading Group

- **Strategic objectives**

- . To play a decisive role at Doha (December 2008)
- . To increase the number of existing mechanisms

- **Tactical objectives**

- . From States to local authorities
- . From health to education
- . From the levy on air travel to the 1% digital solidarity contribution

- **Method**

- . Senegalese presidency
- . Member States of the Group and the Fund
 - *Algeria*
 - *Saudi Arabia*
 - *China*
 - *France*
 - *Morocco*
 - *Mauritania*
 - *Nigeria*
 - *Senegal*

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Action speaks louder than words !

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