

Agenda item: ADM 6

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Report by the Secretary-General

INFORMATION AND COMMUNICATION TECHNOLOGIES DEVELOPMENT FUND (ICT-DF)

Summary

This document reports on the situation regarding the Information and Communication Technologies Development Fund (ICT-DF) and its use for the implementation of development projects.

Action required

The Council is invited to **take note** of the report.

References

[Resolution 11 \(Rev. Guadalajara, 2010\)](#);
[Council Resolutions 1111 and 1338](#); [Decision 538](#)

1 Introduction

1.1 Resolution 11 (Rev. Guadalajara, 2010) provides “that, once all the expenditures have been recovered, a significant part of any generated positive revenues over expenses derived from ITU TELECOM activities shall be transferred to the ICT Development Fund (ICT-DF) under the Telecommunication Development Bureau, for specific telecommunication development projects, primarily in the least developed countries, small island developing states, landlocked developing countries and countries with economies in transition”.

1.2 Strategic decisions pertaining to the approval of projects and the allocation of funds to these projects are taken by a Steering Committee made up of the Secretary-General, the Deputy Secretary-General, and the Director of the BDT.

1.3 The identification of projects and their executions are made by the BDT taking account of inputs by world and regional development conferences. These projects are predicated on the need to establish partnerships and to use the ITU financial contributions as “seed funding”, while seeking contributions from public and private partnership for sustainable development.

1.4 The projects presented to the Steering Committee have been assessed through the following four criteria:

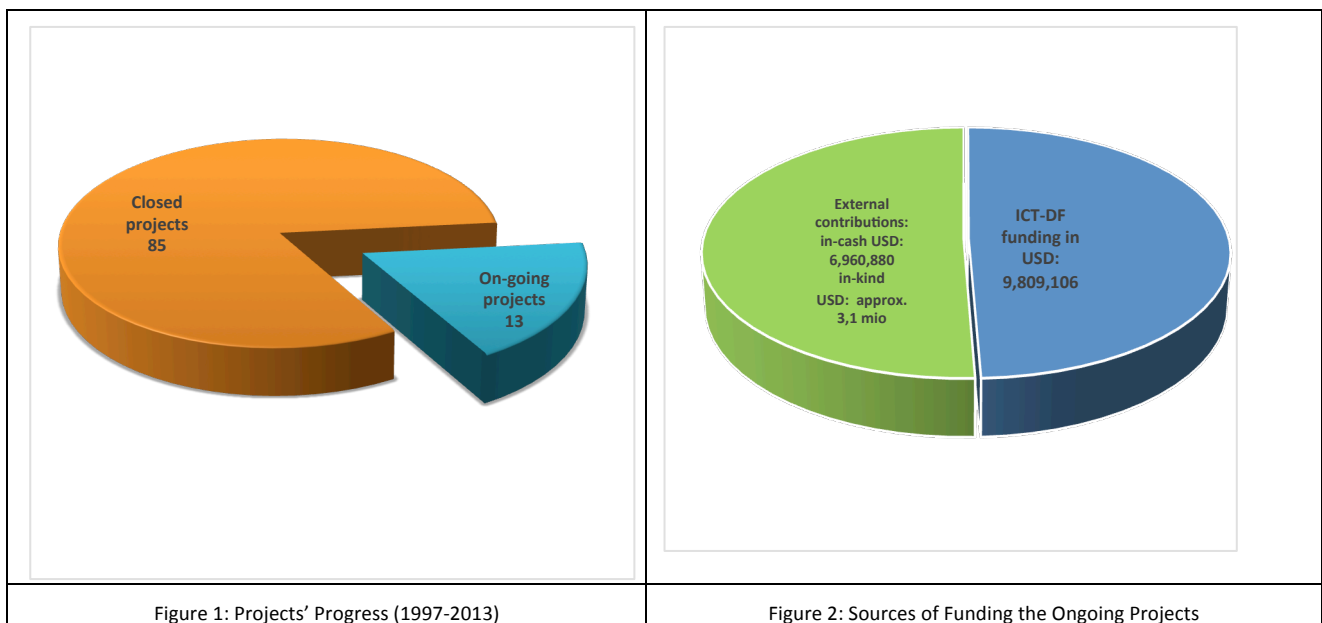
- their potential long-term sustainable impact;
- their facilitation of multi-national cooperation;
- their enabling role in respect of other planned projects; and
- their potential to attract participation of partners in funding and execution.

1.5 The projects financed by the ICT-DF have been approved by the Council through the following four criteria:

- telecommunication/ICT infrastructure;
- ICT applications along with new technologies;
- human and institutional capacity building; and
- countries with special needs.

2 Status of Projects: Funds and Executions

2.1 From 1997 till the end of 2013, ICT-DF has supported 98 projects, out of which 85 had been successfully completed and so closed (Figure 1) and 13 projects are on-going. The list of these projects and their description can be found at: www.itu.int/net3/ITU-D/projects/ictdfclosedproj.aspx.



2.2 The ongoing 13 projects are in the course of implementation, while some are nearing to the completion. The budget allocated for the on-going projects is USD 9,809,106 (USD 7,809,106 linked with previously agreed partnerships and USD 2,000,000 for emergency cases) by the ICT-DF and USD 10,060,880 by external contributions (USD 6,960,880 in cash and approximately¹ USD 3,100,000 in-kind) (see Figure 2). The USD 2,000,000 for emergency cases have been provided to support during and after severe natural disasters together with various partners in 11 countries (e.g. Haiti, Chile, Indonesia, Malawi, Pakistan, Japan, Cape Verde, Uganda, Philippines, Tonga, and Samoa).

¹ Due to various exchange rates.

2.3 As for the execution of projects in 2013, three projects have been supported, partnered and progressed as follows:

- 2.3.1. **Establishment of a Cybersecurity Innovation Centre for the Arab Region:** This project aims to set-up a Cybersecurity Innovation Centre for the Arab Region, with the support of Information Technology Authority of Oman represented by Oman CERT, which will not only provide a better reach for ITU's cybersecurity related initiatives in the region but will also enhance the capacity, capability, readiness, skills and knowledge in the areas of Cybersecurity, Critical Infrastructure Protection and Human Capacity Building for the Arab Region. The Cybersecurity Innovation Centre would be hosted by OCERT, in Muscat, Sultanate of Oman, for which ITU's contribution is USD 752,500, while the partner's contribution in cash is USD 2,000,000.
- 2.3.2. **Least Developed Countries Infrastructure Protection Program - Project Framework:** This project aims to define a framework, identifying possible donor partners, and setting-up the initial activities for the implementation of the Least Developed Country Infrastructure Protection Program (LDCIPP). It consists of the preparatory steps to the launch of the LDCIPP. By determining the structure of the former and engaging countries and private actors, this project plays an essential role in the feasibility of the further development of the LDCIPP in the Least Developed Countries (LDCs).
- 2.3.3. **Promotion of Emergency Telecommunications:** Considering the need for effective, timely deployment of telecommunication resources to help countries in emergency and disaster relief, this project aims to support, the request of a Member State, humanitarian work in terms of preparedness (training), and relief response (deployment of communication equipment and airtime related to its use) when disaster strike. The main users will be ITU and designated emergency relief personnel of those Member States affected by disasters.

2.4 As for the development cycle of 2011-2014, ICT-DF has fully or partially financed the following projects:

- 2.4.1 In 2011, there were three projects approved: e.g.
- School Connectivity in Five ITU Member States;
 - National Disaster Early Warning System in Uganda; and
 - Capacity building and the development of ORTM Regional Stations in Mali.
- 2.4.2 In 2012, there were two projects approved: e.g.
- Strengthening the training capacity of the Institute of Posts and Telecommunications in Lao PDR; and
 - Facilitating the Registration of Arab Top Level Domain.
- 2.4.3 In 2013, there were three projects approved: e.g.
- Establishment of a Cybersecurity Innovation Centre for the Arab Region;
 - Least Developed Countries Infrastructure Protection Program - Project Framework; and
 - Promotion of Emergency Telecommunications.
- 2.4.4 As of February 2014: there are three projects approved:
- Set up ITU IPv6 Centre;
 - Connect Schools, Connect a Community in the State of Palestine; and
 - Further developments of Spectrum Management System for Developing Countries ("SMS4DC") software.

3 Evolution of the ICT-DF Capital Accounts

3.1 The sums transferred to the ICT-DF are paid into a capital account that produces interest. Interest income in 2013 amounted to USD 46,589. This amount correlates with the gradual reduction of the capital fund.

3.2 It is foreseen that the ICT-DF capital is to be reserved for the financing of development projects, and that the interest gained on the bank account is to be used to cover the administrative expenses related to the ICT-DF development programmes. Two-thirds of the administrative expenses are now borne by the Bureau and one-third by the Fund. In 2013, the administrative expenses amounted to USD 51,563.

3.3 As indicated in the figure below (Figure 3), between 2011 and 2013, the ICT-DF capital account has gone from USD 5.6 million to USD 1.68 million.

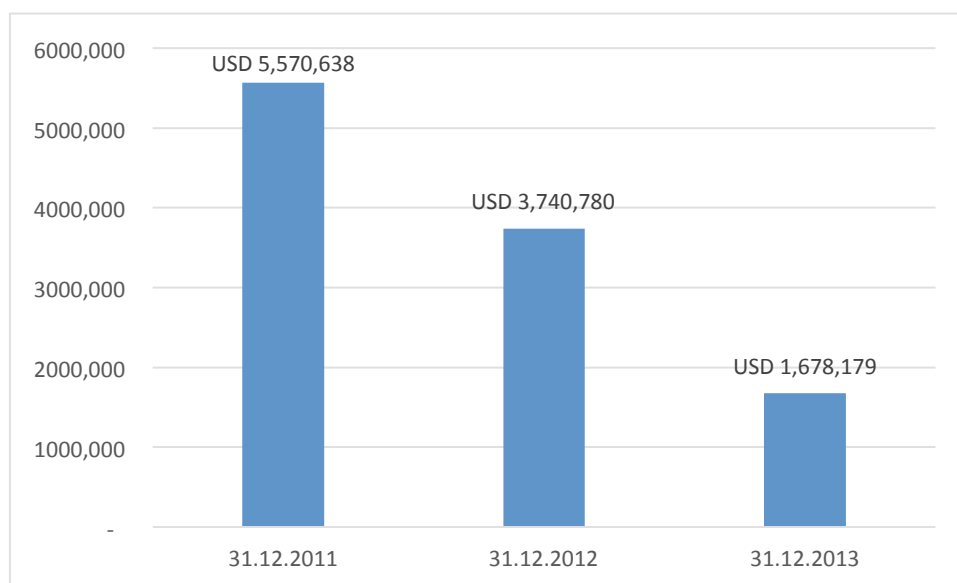


Figure 3: Evolution of ICT-DF Capital Account

4 Way Forward

4.1 At 31 December 2013, the Exhibition Working Capital Fund amounted to CHF 8,068,284. At the same date, the ICT-DF capital account stood at USD 1,678.179, which was carried over to the beginning of 2014.

4.2 Taking into account the demands from membership for supporting various projects at national, regional and global levels as well as the current level of the ICT-DF capital account, the Secretary General upon the request from ICT-DF Steering Committee recommends to the Council 2014 to transfer USD 2 million from the Exhibition Working Capital to ICT-DF capital account while innovative approaches for resource mobilization and partnership building are strengthened.