Financing Mechanisms for Information and Communication Technology for Development (ICT4D)

By
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Task Force on Financing ICTD
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I. Introduction, Background

- **WSIS mandate:**
  - Review adequacy of Financial Mechanisms to support ICT4D
  - UNDP-led Task Force, Report
  - Tunis Agenda recommendations for enhancing mechanisms

- **Key issues, needs:**
  - Policy Frameworks and Implementation Strategies
  - Financing Backbone Infrastructure
  - Financing Universal Access
  - Financing Applications and Content
  - Strengthening Capacity Promoting Opportunity
II. Policy Frameworks and Implementation Strategies

- Key developments since WSIS:
  - Continued liberalization of markets worldwide
  - Consequent ongoing dramatic growth in developing markets, especially cellular mobile penetration
  - ITU, World Bank emphasis on supporting regulatory reforms, e.g. infoDev ICT Regulation Toolkit

- New challenges and opportunities:
  - Effective management of competition
  - Regulatory reforms in view of convergence
  - Consumer protection
III. Financing Backbone Infrastructure

- Key developments since WSIS:
  - World Internet capacity demand has grown dramatically
  - Internet growth in developing countries is slow, partly due to backbone constraints, costs
  - New Regional backbone links are suddenly coming online, bringing vast new capacity to Africa, other regions

- New challenges and opportunities:
  - Further development of national, rural backbones
  - Open access and infrastructure sharing
  - Challenges for small island states
IV.  Financing Universal Access

- Key developments since WSIS:
  - Growth in mobile services has greatly expanded access to voice, text, even data
  - Increasing establishment of US/UA Funds in many developing countries to address remaining gaps
  - Mixed results: some successful, some unable to disburse

- New challenges and opportunities:
  - Reconsidering access objectives and priorities
  - Institutional management of UA/US Funds
  - Enhancing market-orientation and sustainability of access financing
  - Decentralized and community-based approaches
V. Financing Applications and Content

- Key developments since WSIS:
  - Dramatic shifts in global demand for and use of Internet applications, focused on Broadband and Social Networking
  - Increase in high-capacity uses: audio, video, interactive
  - Social networking is new dominant trend in on-line activity, including in developing countries

- New challenges and opportunities:
  - Promoting development of domestic software and content industries
  - Creative adaptation and decentralization of ICT content production to include indigenous and local cultures and knowledge
  - Support for public and social objectives through ICT applications and content
VI. Strengthening Capacity, Promoting Opportunity

- Key developments since WSIS:
  - Despite numerous initiatives, capacity building efforts remain inadequate, according to infoDev, others
  - Need remains great to support ICT policy and regulatory officials in developing countries
  - New programs, e.g. by ITU and World Bank

- New challenges and opportunities:
  - Improve measurement and assessment of ICT capacity building programs
  - Increase coordination and standardization
  - Consider innovative ways of linking capacity building to other forms of content
  - Reinforce technical assistance to policymakers and regulators