



10 December 2004

Dear Anriette and Task Force Colleagues,

Thank you for your letter addressed to Mr. Mark Malloch Brown, UNDP Administrator. I would like to take this opportunity to respond to some of the important issues that you have raised. Let me begin by saying that as members of the Task Force you have the opportunity to contribute to its discussions both at meetings and by providing inputs to finalize the report. I would really urge you to do so.

I share some of your concerns with respect to the timing and insufficient outreach to the different stakeholders. These really were largely due to time and resource constraints. Like the Working Group on Internet Governance, initially we had to spend a fair amount of time mobilizing resources to support the necessary research and to bring participants to the meetings. This Task Force, as compared to the other one, also has a lot less time to complete its work. In this regard, I would like to take this opportunity to thank the Government of Japan for their financial support in getting this effort off the ground.

Work of the Task Force & process

As outlined in my presentations at the WSIS Prepcom meeting in Hammamet and elsewhere, the Task Force's work would proceed in two stages: I) a focus on research and information gathering ii) deliberations and consultations on key issues.

While the Task Force met for the first time in early October, a number of preparatory steps were undertaken by the Secretariat, the World Bank, OECD/DAC and UNDESA:

1. In early May we heard from panelists at a Global Knowledge Partnership meeting on this issue;
2. In early June a brainstorming meeting of experts and stakeholders which included an APC representative took place which helped to identify a preliminary set of issues for the Task Force to focus on.
3. The rest of the summer leading up to the first Task Force meeting was spent gathering information and research inputs so that trends and basic preliminary analysis of existing financing mechanisms were available for task force review. This was supplemented by contributions from the Task Force members.

In between the first and second meetings of the Task Force, there was a virtual consultation done in partnership with WSIS online, a meeting with stakeholders in Geneva and a short session at the UN ICT Task Force. We would have liked to reach out to and interact more with various networks to *mutually enrich* and to learn from the discussions. However, the report is intended more of an expert input to the WSIS preparations rather than the result of a broad consultative process. We visualize that WSIS will provide the forum for the broader consultations.



Membership

From the outset we worked on the principle that the main issue was financing, but the discourse would be informed in equal parts by financial analysis, development priorities and actions on the ground. The membership criteria was framed to include a range of stakeholders – institutions and organizations involved in financing and an understanding of the different financial mechanisms, instruments, and frameworks as well as those involved in supporting and implementing ICT in developing countries. These included actors in the field of telecommunications and information infrastructure and diffusion (Senegal, Tunisia, Azerbaijan, Egypt, Vodafone), capacity development (NIIT/India), applications (health/Infomed Cuba, women's empowerment through ICT and microfinance/Grameen), as well as civil society and private sector *networks* active in policy and implementation issues amongst others. A list of the members with the general approach that we adopted was shared through a press release on the occasion of the first Task Force meeting. It can be viewed at: <http://www.un.org/News/Press/docs/2004/pi1616.doc.htm>

Content

The report is a collective product of the Task Force so inevitably it will not be able to satisfy everyone on all issues. There is a remarkable consensus on some issues while there are wide divergences on others. I am surprised that APC singles out a focus on infrastructure and backbones. If there is one issue on which there is agreement – some in fact even using the language of public goods – it is on backbones, particularly an urgently needed focus in the case of countries and regions in Africa. As you are aware, global backbone deployment has exceeded by far global demand and thus there is 'overcapacity' at this level. The issue here is more a question of developing countries accessing this 'overcapacity'.

I would like to thank DFID and Balancing Act for a very useful and thorough analysis on this issue pointing to ways forward. It also appears to me – and if I am misguided please do contribute on this issue – that financing is available for this. What we could do as a task force is to try to get an initial handle on what it will take to collectively unleash the financing. Some of these elements are covered in the report but no doubt there are others.

As a task force we also need to do a good job on thinking through ICTD "capacity" issues. Particularly, to be sensitive to the priorities that developing countries are focused on and in the economic and social contexts in which these developments are taking place. Some task force members have highlighted the issue of tradeoffs and transitional mechanisms that could provide space and incentives for transformation. So the question is what practical options can we highlight here?

Furthermore, many developing partners and financial institutions highlight and already include a focus on capacity development in issues ranging from the regulatory and ICTD mainstreaming to ICT skills development. What do we need to do more of or to do differently? ICTD is also a relatively new and emerging field for both donors and developing countries and there is scope for thinking about how to ensure quicker learning. The views and contributions of the Task Force are most welcome here.



On the issue of new mechanisms the document does not state as a finding that “no new financial mechanism is necessary.” Rather, it identifies a range of ideas and possible initiatives that could be supported by stakeholders, which include leveraging existing mechanisms and new alliances and approaches that could achieve more effective results to address existing gaps. The discussions of the Task Force highlighted the understanding that “innovative” mechanisms can consist of a variety of creative and cooperative activities by those who are actively involved with ICT and development. Where financing is the issue, the question is what are the range of actions that are required to secure sources of financing?

The various coordination and knowledge sharing mechanisms that are being proposed – including by your selves – deserve greater reflection and consideration. Based on the comments from some Task Force members – WSIS may well be the forum to take some of these ideas much further.

As members of the Task Force you have the opportunity to contribute to its discussions both at meetings and by providing inputs to finalize the report. I would urge you to do so.

We look forward to continuing the dialogue and collaborating with you on these important issues as we finalize the report.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Shoji Nishimoto', is centered below the text 'Yours sincerely,'.

Shoji Nishimoto
Assistant Administrator and Director
Bureau for Development Policy
UNDP