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| **Agenda item: ADM 12** | **Document C20/34-E** |
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| Report by the Secretary-General |
| INFORMATION AND COMMUNICATION TECHNOLOGIES DEVELOPMENT FUND (ICT-DF) |

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| SummaryThis document reports on the status of the Information and Communication Technologies Development Fund (ICT-DF) regarding its utilization for the implementation of development projects.Action requiredThe Council is invited **to take** note of the report, and advise as deemed appropriate.\_\_\_\_\_\_\_\_\_\_\_\_References*PP* [*Resolution 11 (Rev. Dubai, 2018)*](https://www.itu.int/en/council/Documents/basic-texts/RES-011-E.pdf)*; Council Resolutions* [*1111*](http://www.itu.int/council/index97/1997/131/131.html) *and* [*1338*](http://www.itu.int/md/S11-CL-C-0106/en)*.* |

**1 Introduction**

1.1 In accordance with the ITU Constitution, the ITU has a dual responsibility as a United Nations specialized agency and as an executing agency for implementing projects. In this regard, the Telecommunication Development Sector (ITU-D) plays a key role in implementing projects in countries to foster sustainable development.

1.2 The Information and Communication Technologies Development Fund ([ICT-DF](http://www.itu.int/en/ITU-D/Partners/Pages/ICT-DF/default.aspx)) is a special initiative launched in 1997 with the aim of supporting the implementation of development projects leading to sustainable development based on multistakeholder partnerships entered into by ITU Member States, Sector Members, public and private sector, and multilateral organizations, foundations, financial institutions and development agencies.

**2 Main Rules and Procedures of ICT-DF**

2.1 In principle, the ICT-DF shall finance up to 25% of the total cash contribution of the project. On an exceptional basis, the ICT-DF may finance more than 25%. The seed funding is meant to attract extra-budgetary funds raised through resource mobilization in-cash and in some cases, in-kind contributions for financing projects at national, regional, and international levels.

2.2 In accordance with this procedure, development project proposals including related contributions in-cash and in-kind can be submitted to the ICT-DF at bdtictd@itu.int to be considered for ICT-DF financing.

2.3 Proposed development projects are administrated in compliance with the following selection and eligibility criteria, among others:

* The project beneficiary shall include one or more least developed countries (LDCs), small island developing states (SIDS), landlocked developing countries, countries with economies in transition and countries in special need.
* The project shall fall into one of the following categories/themes:[[1]](#footnote-1)
* Capacity Building
* Climate Change
* Cybersecurity
* Digital Inclusion
* Emergency Telecommunications
* ICT Applications
* Innovation
* Regulatory and Market Environment
* Statistics and Indicators
* Spectrum Management and Broadcasting
* Assistance to countries in special need
* Any other themes deemed important by the ICT-DF Steering Committee (ICT-DF SC).[[2]](#footnote-2)

2.4 Analysis and assessment of the project proposals to ensure their compliance with the selection/eligibility criteria is undertaken on a regular basis pending submission of such proposals to the ICT-DF SC.

2.5 The ICT-DF SC: a) reviews and approves the projects submitted for funding; b) approves the amount of funding to be allocated to the approved projects by the ICT-DF SC; and c) monitors the implementation and budgetary performance of the projects supported by the ICT-DF.

2.6 An annual report on the status of the ICT-DF and its funded projects approved by the ICT‑DF SC is presented to ITU Council for advice and/or approval, as deemed appropriate.

**3 Main Activities and Progress of ICT-DF**

3.1 The 53rd Steering Committee meeting for the ICT-DF held in January 2020 considered the allocation of funds to an “Equals in Tech Enhancing the Digital Ecosystem and Digital Skills for the economic empowerment of women in LDCs” project. The Steering Committee approved the allocation of USD480’697 which is 35% of the project budget while the partner contributed USD$873’941. The approval by the ICT-DF Steering Committee of an amount above the 25% cap was exceptional as the project is benefitting least developed countries, the project has long-term sustainable impact, it provides capacity building to beneficiary countries, and that the partner has great potential beyond this project to co-finance projects with ITU in the future. Further, the project partner (Enhancing the Digital Ecosystem and Digital Skills), has for the first-time expressed interest in working with ITU by co-financing projects and has demonstrated its commitment through this initial contribution. This partner managers a lot of project funds but has traditionally financed trade-related projects. Indications are that the partner will in the future contribute to some of our large-scale projects. As their contribution is time-bound, it was risky to either insist on them increasing their contribution or delay the conclusion of this partnership while looking for other partners as Enhanced Integrated Framework could withdraw their contribution.

The Steering Committee also reviewed the progress in the implementation of ICT-DF projects and approved the return of some funds to the ICT-DF fund initially allocated for the implementation of some development projects which later failed to attract external partner funding.

In 2019, there were 15 ongoing ICT-DF projects, and 8 of these were operationally completed by 31 December 2019. Upon closure of these 8 projects, ICT-DF funds remaining in these projects returned to the ICT-DF. An informative web page on ICT-DF and other projects searchable by country, region, areas of action and project status (ongoing and implemented) is available at: [https://www.itu.int/en/ITU-D/Projects](https://www.itu.int/en/ITU-D/Projects/)

Future ICT-DF SC meetings will be held upon receipt of new project proposals fulfilling the selection criteria.

3.2 As of December 2019, ICT-DF projects were composed of 15 ongoing projects, with a total value of CHF 18,367,996 (External Cash 61%, ICT-DF 36%, and Operational Plan Cash 3%). These projects are distributed on a region-by-region basis as shown in Fig. 1 with the values of the projects given for each region in Fig. 2, and being implemented in thematic areas as shown in Fig. 3. The following are some examples of projects under different thematic areas: the development of *Broadband Wireless Network* in Africa (Mali, Burkina Faso, Eswatini, Madagascar, and Djibouti), *Connect Schools* in Palestine, *Rural Telecommunications Development* in Least Developed Countries, *Telemedicine* in Zimbabwe, *Regional Centre of ICT accessibility for persons with disabilities*, *Development of Satellite Communications Capacity, Monitoring of the Radio Spectrum* in Cuba*, Establishment of a Cybersecurity Innovation Centre* in Oman, *Emergency Communications Solutions* for the Pacific Islands, *Increasing wireless broadband penetration through improved and harmonized spectrum utilization and regulations (PRIDA)* in Africa and *set-up IPv6 and IoT Expertise Centre*, as a global project.

3.3 By 31 December 2019, 8 of the current 15 ongoing ICT-DF projects will have been implemented. BDT will continue monitoring the remaining projects for effective implementation. The Steering Committee will continue to review project proposals and support selected projects in the various areas of action with special attention to regional initiatives approved by WTDC-17, taking into account the rules and criteria set by the *ICT-DF Rules and Procedures* and within the limit of the ICT-DF Capital Account.

**4 Evolution of the ICT-DF Capital Accounts**

4.1 Total interest income of ICT-DF Capital Account in 2019 was USD 72’468.[[3]](#footnote-3)

4.2 As of 31 December 2019, the remaining balance under ICT-DF Capital Account amounted to USD 4,306,176, while the Exhibition Working Capital Fund (EWCF) amounted to CHF8’377’576.[[4]](#footnote-4)

4.3 It should be noted that the following ITU PP-18 Resolution 11 (Rev. Dubai, 2018) provisions may have an impact on the EWCF and in turn on the ICT-DF:

* **Resolves (4)**: *that the terms of reference, based on the contributions made by the ITU membership, for hiring the independent external management consultancy shall be submitted to the Council Working Group on Financial and Human Resources for approval, and the expenses for hiring the consultancy shall be covered by the Exhibition Working Capital Fund.*
* **Resolves (10)***: that the EWCF shall provide a minimum reserve of 5 million Swiss francs (CHF 5 000 000.)*

**5 Way forward**

5.1 Progress on implementation of ICT-DF funded projects will be regularly analysed and updated at https://www.itu.int/en/ITU-D/Projects/ICT-DF.aspx.

5.2 Taking into account that the ICT-DF is demand-driven and seed funding in nature and principle, ICT-DF SC will continue to consider project proposals based on the rules and criteria while remaining within the limit of the ICT-DF Capital Account, in order to support the development of telecommunications/ICTs in ITU Member States and contribute to the Sustainable Development Goals.

5.3 In view of the relevant provisions of PP-18 Resolution 11 (Rev. Dubai, 2018) alluded to in 4.3 above, due consideration has to be given by the ICT-DF SC before considering new projects to be funded by the ICT-DF.

5.4 The Council is invited to **take note of this report and advise as deemed appropriate**.

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1. These themes were adopted by the World Telecommunication Development Conference held in 2017 (WTDC-17). [↑](#footnote-ref-1)
2. ICT-DF SC is composed of the ITU Secretary-General (Chairman), the ITU Deputy Secretary-General and the Director of the BDT. [↑](#footnote-ref-2)
3. To be reviewed when accounts are closed. [↑](#footnote-ref-3)
4. To be reviewed when accounts are closed. [↑](#footnote-ref-4)