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|  | **Document CWG-FHR-16/11** |
| **11 September 2023** |
| **English only** |
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| Contribution by the Secretariat | |
| TOWARDS A RESOURCE MOBILIZATION STRATEGY: OUTCOMES OF THE ITU WORLD CAFÉ ON REVENUE GENERATION | |
| **Purpose**  The Plenipotentiary Conference (Bucharest, 2022) instructed the Secretary-General in Decision 5 (Rev. Bucharest, 2022) to develop an ITU-wide resource mobilisation strategy and present it to the ITU Council. The secretariat presented document [C23/62 Rev1](https://www.itu.int/md/S23-CL-C-0062/en), which provided initial analysis and recommendations regarding resource mobilization. Council noted Document C23/62(Rev.1) and invited the Secretary-General to report to CWG-FHR and to the Council on the refinement of the draft ITU-wide resource mobilization strategy and its implementation, as well as how ITU could leverage the outcomes of the ITU World Café ([C22/INF/13](https://www.itu.int/md/S22-CL-INF-0013/en)) held in 2022.  The secretariat will prepare further information for the CWG-FHR to assist with the refinement of the overall strategy for its meeting in early 2024. In the meantime, this document focuses on the outcomes of the ITU World Café on revenue generation and ideas from that process which might be considered as part of the further refinement of the overall strategy.  **Action required**  The CWG-FHR is invited **to note** this document and provide further guidance to the secretariat.  **Financial implications**  The overall resource mobilisation strategy currently being developed, including inputs from the World Café on revenue generation, have the potential to contribute to increase regular budget and extra-budgetary revenues.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **References**  [*C23/62 Rev1*](https://www.itu.int/md/S23-CL-C-0062/en)*,* [*Decision 5*](https://www.itu.int/en/council/Documents/basic-texts-2023/DEC-005-E.pdf) *(Rev. Bucharest, 2022) of the Plenipotentiary Conference; Council documents* [*C17/67*](https://www.itu.int/md/S17-CL-C-0067/en)*, and* [*C23/INF/12*](https://www.itu.int/md/S23-CL-INF-0012/en)*;* [*C22/INF/13*](https://www.itu.int/md/S22-CL-INF-0013/en)*,* [*Kigali Action Plan*](https://www.itu.int/dms_pub/itu-d/opb/tdc/D-TDC-WTDC-2022-PDF-E.pdf)*.* | |

**1.** **Background**

1.1 The Plenipotentiary Conference (Bucharest, 2022) (PP-22) instructed the Secretary-General in Decision 5 (Rev. Bucharest, 2022) to develop an ITU-wide resource mobilization strategy to address the need for additional funding to meet organisational priorities and present it to the ITU Council for review and guidance on its implementation.

1.2 Following this instruction, the secretariat presented document [C23/62 Rev1](https://www.itu.int/md/S23-CL-C-0062/en) to the July 2023 session of Council, which provided initial analysis and recommendations regarding resource mobilization.

1.3 Council noted Document C23/62(Rev.1) and invited the Secretary-General to report to CWG-FHR and to the Council on the refinement of the draft ITU-wide resource mobilization strategy and its implementation and to leverage the outcomes of the ITU World Café on revenue generation (Document C22/INF/13), including studying new measures to generate supplementary revenue for ITU and review these matters at the next meetings of CWG-FHR and the next session of the Council.

1.4 The secretariat will prepare further information for the CWG-FHR to assist with the refinement of the overall strategy for its meeting in early 2024. In the meantime, this document focuses on the outcomes of the ITU World Café on revenue generation and ideas from that process which might be considered as part of the further refinement of the overall strategy.

**2. ITU World Café on Revenue Generation**

The ITU World Café on revenue generation was part of a broader internal brainstorming session held among more than 70 ITU staff from the general secretariat and bureaux on 2 February 2022. Together with a complementary session on reducing expenditures, the World Café aimed to generate ideas that would help towards balancing the ITU regular budget. Outcomes of this session were communicated to Council in document [C22/INF/13](https://www.itu.int/md/S22-CL-INF-0013/en). The main categories are further elaborated below, with some background information and potential areas to be further explored for each.

**2.1. Member State Contributions**

**Recommendation:** The World Café recommended several actions aimed at strengthening Member State unit contributions in the lead up to PP22, including an outreach campaign to Member States as well as considering possible changes to the annual contributory unit.

**Status:** The secretariat implemented an outreach campaign in the lead up to PP22, as recommended. Based on commitments announced at PP22, due to several Members increasing their units, revenues from Member State unit contributions for the 2024-27 period PP22 are projected to increase by 3.6% over the previous four-year period. PP22 confirmed that the annual contributory unit amount of CHF 318,000 remains unchanged, which represents zero nominal growth since 2006. Council noted document C23/43 on choice of class of contribution for defraying the Union’s expenses.

In developing a resource mobilisation strategy, the secretariat has been doing research and country-level consultations to identify risks and opportunities based on changing economic circumstances which could affect Member State unit contributions. The secretariat is also working closely with Member States regarding the payment of unit contributions and any outstanding debts.

**Opportunity to Explore**: Member States are encouraged to consider maintaining, and if possible, increasing their unit contributions. Member States may also wish to review the annual contributory unit of 318,000 in the lead up to the next Plenipotentiary Conference. The Secretariat will continue to engage and assist Member States regarding payment of outstanding debts.

**2.2. Cost Recovery and Revenue Generation**

**Recommendation:** The World Café recommended that sources of cost recovery be reviewed to ensure that ITU is covering its costs as the market evolves. The main sources are satellite filings and publications.

***Satellite Filings:*** Council 23 established an Expert Group on Decision 482 (see Decision 632) to review this Decision on several items. An interim report containing recommendations for the possible revision of Decision 482 will be submitted to the 2024 session of the ITU Council and the final report to the 2025 session of the ITU Council. The first meeting of this group is planned during the January-February 2024 cluster of meetings of Council groups.

***Publications:***PP Resolution 91 (Rev. Guadalajara, 2010) calls for cost recovery for publications. The resolution also states that “cost-recovery ***...***should not be considered as generating profit from members”. PP Resolution 66 (Rev. Guadalajara, 2010) cites “the need to maintain a coherent financing and pricing policy which reflects the costs of production, marketing and distribution”. PP Resolution 66 adds “that a two-tier pricing policy be established whereby Member States, Sector Members and Associates pay a price based on cost recovery, whereas all others, i.e. non-members, should pay a market price”. On the other hand, PP Decision 12 (Rev. Busan, 2014) instructs the secretariat to offer free online access to many ITU publications. ITU produces an average of 180 publications a year, more than 90% of whichare available for free in digital formats.

**Opportunity to Explore:** CWG-FHR may wish to consider how the guidance in PP Resolutions 91 and 66 vis-a-vis PP Decision 12 might be updated, taking into consideration the shift from physical to digital formats.

**2.3. Sector Membership**

**Recommendation:** The World Café recommended that various ecosystems be analysed to identify potential new industry members. This work is underway and being used to inform and focus outreach efforts. More details will be provided to the next CWG-FHR.

**Status:** Total ITU membership continues to grow year over year and is now approaching 1,000 entities and some 1,300 memberships across the 3 sectors. This is the highest level of ITU membership ever. Despite this continued growth in numbers, revenues from ITU sector membership have been stable. This is because a significant portion of the growth has been among lower fee categories of participation.

**Opportunities to explore:** CWG-FHR could review potential Sector Membership add-on benefits to enhance the value of membership and the potential for increasing revenues.

**2.4. Voluntary Contributions**

**Recommendations:** The World Café recommended that ITU seek more voluntary contributions and target donors with compelling projects relevant to their priorities.

**Status:** Since then, Member States gave the secretariat further guidance through PP22 Dec 5, which instructed the Secretary-General “to develop an ITU-wide financial resource mobilization strategy to address the need for additional funding to meet*organisational priorities* and present it to the Council for review and guidance on its implementation.”

Currently, ITU is at the initial stage of setting up a framework for resource mobilization. Pre-requisites include establishing robust and modern ITU-wide processes, IT systems and policy for partner outreach and coordination, as well as building capacity not only to attract and secure funds, but also for implementation and donor reporting.

As per document C23/62, as part of the initial efforts towards a new cross-ITU resource mobilisation strategy, the secretariat is currently developing a pilot cross-ITU thematic initiative on green digital action as a means of bringing together various sustainability-related ITU activities into a coherent package that could be presented to potential donors for support.

**Opportunities to Explore**: As above, the secretariat is working to address the various prerequisites required for a successful strategy to increase voluntary contributions. If any changes identified require governing body approval, they will be flagged for the CWG-FRH for consideration.

**3. Next steps:**

In line with the outcomes of the July 2023 session of Council and taking into account feedback from this session of the CWG-FHR, the secretariat will continue to refine the resource mobilisation strategy as outlined in document C23/62 for consideration of the 2024 sessions of the CWG-FHR and Council.

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