



PLENARY MEETING

Report by the Secretary-General

1 Subject: WORLD SUMMIT ON THE INFORMATION SOCIETY

2 Purpose

To report on the finances of Phase I of the World Summit on the Information Society (WSIS) and its preparatory process (Phase I), as well as of Phase II.

3 Background

The first phase of the Summit took place in Geneva on 10-12 December 2003 and preparations are underway for the second phase of the Summit in Tunis from 16-18 November 2005.

4 Recommendation

The Council is invited to take note of this report.

5 Implications

Ref. doc.

Res. 73
(PP-98)

Dec. 8,
Res. 113
(PP-02)

D. 509,
R. 1158, 1179,
1207, 1214

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Financial Status of the World Summit on the Information Society

General

The Summit and its preparatory process have been financed through the following sources:

- (a) Voluntary financial contributions to the WSIS trust fund
- (b) Voluntary in-kind contributions
- (c) Transfers from the TELECOM Exhibitions Working Capital Fund
- (d) The regular budget of the ITU
- (e) Support of the Host Country as specified in its agreement with ITU

This report provides information on items (a), (b), (c) and (d). Figures mentioned in this annex are not audited and should therefore be considered as preliminary.

1 Phase I (Geneva)

1.1 Valuation of the preparatory process and the Summit

Considering expenditures from the WSIS trust fund amounting to CHF 4,444,000 and in-kind contributions estimated at CHF 12,947,000, the core activities¹ and fellowships of the Geneva phase of the Summit are estimated at a value of CHF 17,391,000 in total, in addition to the host country's services and facilities provided based on the host country agreement. (see Table 1 for details).

1.2 Contributions received

a) Voluntary contributions to the WSIS trust fund

Voluntary contributions to the WSIS trust fund allocated to cover the cost of the core activities and fellowships of the Geneva phase amounted to CHF 3,973, 053. (see Table 2 for details). Other voluntary contributions amounting to CHF 723,724 were earmarked to subsidize WSIS related activities such as civil society activities and thematic meetings. The WSIS trust fund also served to process payments for in-kind contributions based on the commitments of donors.

b) Voluntary in-kind contributions

A number of governments, including Switzerland, as well as international organizations provided in-kind contributions. These included staff members seconded to the WSIS Executive Secretariat and conference rooms for the official meetings. The Union also provided substantial in-kind contributions including the offices and information networks for the Executive Secretariat as well as services essential to organize meetings. In December 2003, the Union mobilized more than 400 staff to support the organization of the Summit. The Union's in-kind contributions were estimated at CHF 6,598,000 in total. A list of in-kind contributions is provided in the table below.

¹ Conference services (i.e. interpretation, translation, documentation, protocol, IT, venues) for PrepCom meetings and the Summit, operational and staff-related expenses of the Executive Secretariat including support for the Bureau.

Government of Switzerland	3 staff, Venue of meetings, PrepCom-3 bis add, Furniture of the Secretariat, Fellowships for Civil society, etc.
Government of Spain	1 staff
Government of Japan	2 staff
Government of Romania	1 staff (until the end of October 2002)
Government of Korea	1 staff
Government of Canada	1 staff
UNESCO	1 staff, Venue of Intersessional Meeting
UNITAR	1 staff (until the end of October 2003)
UNDP	1 staff
ILO	Venue for the first week of PrepCom-2
UN (including UNOG)	Expertise to organize the Summit
Canton of Geneva	6 staff, Support for the Civil Society Bureau
KDDI (Japan)	1 staff
ITU	Expertise to organize the Summit, many staff, offices and information networks for the Secretariat, etc.

c) Loan from the TELECOM Exhibitions Working Capital Fund

Following Council Decision 509, only CHF 800,000 was transferred to the WSIS trust fund.

d) Regular budget of ITU

Following Council Resolution 1133, regular budget appropriations for WSIS in 2000-2001 were CHF 411,000. The actual expenditure amounted to CHF 287,000. Following Council Resolution 1174, the 2002-2003 budget of the Union included appropriations for WSIS in the amount of CHF 135,000. Expenditures for 2002-2003 totaled CHF 347,500. These budgets were not transferred to the WSIS trust fund but were used by the Union to cover a part of the cost of the Union's in-kind contributions and for its substantive input to the WSIS process. Therefore, these budgets are not specified in Table 1 and Table 2.

1.3 Balance

The deficit of the WSIS trust fund for core preparatory activities of the Geneva phase amounts to CHF 575,000. . The carry-over from restricted and targeted contributions to the Tunis phase amounts to CHF 904,000. In addition, pursuant to Council Decision 509, a repayable interest-free loan of CHF 800,000 was transferred to the fund. Thus, the total Geneva phase deficit is CHF 1,375,000.

	(thousand CHF)
Negative balance for core preparatory activities	575
Amount owed to	
TELECOM Exhibitions Working Capital Fund	800
Total phase I deficit	1,375
Contributions for recruitment of staff from developing countries	552
Contributions for fellowships	352
Total Carry-over to the phase II	904

Table 1

Financial Status of Core Activities of Phase I

Expenditures and estimates below do not include those incurred by Switzerland as host country of the first phase of the Summit. Estimates of in-kind contributions are based on prices of equivalent UN services and do not necessarily reflect actual costs borne by donors.

	Expenditure	In-Kind	(thousand CHF) Total
Executive Secretariat	1,329	8,551	9,880
operation (WSIS Fund)	632		632
<i>Operation (ITU in-kind)</i>		1,455	1,455
Executive Director (WSIS restricted Fund)	401		401
Secretaries to E-Director (WSIS Fund)	192		192
<i>Staff from ITU (ITU in-kind)</i>		2,425	2,425
<i>Staff from Gov't and Organs (in-kind)</i>		3,671	3,671
<i>Staff from Civil Society (Geneva in-kind)</i>		1,000	1,000
Staff from developing countries (WSIS restricted Fund)	104		104
Special Ambassador for WSIS	456		456
WSIS Fund (Restricted)	456		456
PrepCom-1 (Geneva 5 days)	385	293	678
operation (WSIS Fund)	385		385
<i>operation (ITU in-kind)</i>		250	250
<i>venue (Switzerland in-kind)</i>		43	43
Informal Meeting on Themes (Geneva 3 days)	39	176	215
operation (WSIS Fund)	39		39
<i>operation (ITU in-kind)</i>		150	150
<i>venue (Switzerland in-kind)</i>		26	26
PrepCom-2 (Geneva 10 days)	698	586	1,284
operation (WSIS Fund)	698		698
<i>operation (ITU in-kind)</i>		500	500
<i>venue (ILO in kind)</i>		43	43
<i>venue (Switzerland in-kind)</i>		43	43
Intersessional Meeting (Paris 4 days)		400	400
venue & operation (UNESCO in kind)		400	400
PrepCom-3 (Geneva 10 days)	702	585	1,287
operation (WSIS Fund)	702		702
<i>operation (ITU in-kind)</i>		500	500

<i>venue (Switzerland in-kind)</i>			85	85	
PrepCom-3bis (Geneva 5 days)	316	293		609	
operation (WSIS Fund)	316			316	
<i>operation (ITU in-kind)</i>		250		250	
<i>venue (Switzerland in-kind)</i>		43		43	
Prepcom-3bis add (Geneva 2.5 days)		202		202	
<i>venue & operation (Switzerland in kind)</i>		202		202	
	Donation	Expenditure	In-kind	Total	Balance
Preparatory Process Total	3,902	3,925	11,086	15,011	
WSIS Fund (Unrestricted)	1,679	2,964		2,964	-1,285
Executive Director (WSIS restricted Fund)	312	401		401	-89
Staff from developing countries (WSIS restricted Fund)	656	104		104	552
Special Ambassador (WSIS restricted Fund)	455	456		456	-1
Loan from the TELECOM Exhibition Working Capital Fund	800				800
<i>ITU in-kind Contribution</i>			5,530	5,530	
<i>Other in-kind Contribution</i>			5,556	5,556	
Summit (other than Host country's responsibility)			1,361	1,361	
<i>operation (ITU in-kind)</i>			569	569	
<i>staff mobilized for Summit (ITU in-kind)</i>			499	499	
<i>staff from UN-HQ (Switzerland in-kind)</i>			210	210	
<i>staff from UNOG (UNOG in-kind)</i>			83	83	
Fellowship for PrepCom & Summit	871	519	500	1,019	
WSIS Fund (Restricted)	871	519		519	352
<i>Civil Society Fund (Switzerland in-kind)</i>			500	500	
Geneva Phase Total	4,773	4,444	12,947	17,391	
Balance for General Account					-575
WSIS Fund (Unrestricted)	1,679	2,964		2,964	-1,285
Executive Director (WSIS restricted Fund)	312	401		401	-89
Special Ambassador (WSIS restricted Fund)	455	456		456	-1
Loan from the TELECOM Exhibition Working Capital Fund	800				800
Balance for Special Account (the remaining amount is carried over to the Tunis phase)					904
Staff from developing countries (WSIS restricted Fund)	656	104		104	552
Fellowship for PrepCom and Summit	871	519		519	352
ITU in-kind Contribution Total			6,598		

ITU in-kind figures are based on very conservative estimates

Table 2

Contributions to the WSIS Trust Fund during Phase I

CHF

1. Contributions for core activities **3,973,053**

Unrestricted contributions		Executive Director	
Japan	796,835	Canada	180,781
Malta	3,512	Switzerland	131,100
NTT DoCoMo	124,100	total	311,881
Portugal	30,000		
UPU	15,000	Recruitment of staff from developing countries	
UNFCU	1,300	Sweden	317,660
Burkina Faso	15,000	Finland	35,257
Spain	145,200	European Commission	303,200
Italy	387,500	total	656,117
WMO	30,000		
Slovenia	10,000	Special Ambassador for WSIS	
Rwanda	14,100	Canton of Geneva	454,766
Gabon	26,167		
Switzerland	80,773	Fellowships for PrepComs & Summit	
total	1,679,487	Switzerland	450,000
		Canada*	35,000
		Finland	172,782
		Belgium	53,370
		European Commission	159,650
		total	870,802

* allocated to the specified purpose with the donor's consent

2. Contributions for other WSIS related activities **723,724**

Canada	686,198	includes salary for a seconded expert
Finland*	37,526	allocated to the specified purpose with the donor's consent

3. Total received contributions for WSIS (1+2) **4,696,777**

4. Loan from the TELECOM Exhibitions Working Capital Fund **800,000**

5. Other contributions expressed at the Summit

Czech Republic	47,457	Support for ITU-BDT project (transferred to BDT)
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2 Phase II (Tunis)

2.1 Valuation

Given the expenditures of the Geneva phase, the core activities and fellowships of the Tunis phase are roughly estimated at CHF 15,220,000 in total. This figure does not include the host country's services and facilities to be provided for the Tunis summit based on a host country agreement (see Table 3 for details)

2.2 Fundraising campaign

In April 2004, the Secretary-General of the ITU launched the WSIS-2005 Fundraising Campaign to raise at least CHF 5 million in cash contributions and the remaining amount through in-kind contributions. The Secretary-General sent a letter to Foreign ministers of Member states of the ITU and the United Nations and heads of international organizations. To date, the government of Japan has made a contribution of CHF 386,300 to the WSIS trust fund. Feedback from other Member states and international organizations has also been positive. The Secretary-General of the Union is also planning to launch a sponsorship campaign to target contributions from the business sector.

2.3 New contributions

In addition to the carry-over from the Geneva phase and the donation from Japan, several governments and organizations have seconded staff members to the Executive Secretariat for the second phase as follows²:

Government of Switzerland	3
Government of Spain	1
Government of Japan	1
Government of Korea	1
Government of Canada	1
Government of Tunisia	1
UNESCO	1
KDDI (Japan)	1
Organisation Tunisienne de l'éducation et de la famille	1

The government of Tunisia has committed to provide substantial in-kind contributions by hosting the June 2004 Preparatory Meeting in Hammamet, Tunisia. In addition, the venue and interpreters for the provisional Bureau meetings have been provided with the support of the Tunisian mission in Geneva.

2.4 Regular Budget of the ITU

According to Decision 6 (Marrakesh, 2002), the ITU 2004-2007 Financial Plan includes planned appropriations of CHF 1,194,000 for the preparation of the WSIS. Council Resolution 1213 regarding the 2004-2005 biennial budget of the ITU included CHF 597,000 for the WSIS.

If required, Council may decide to allocate the additional CHF 597,000 planned for 2006-07 to the WSIS trust fund by a withdrawal from the Reserve Account. This amount would be subsequently repaid into the Reserve Account from the 2006-2007 budget.

² Not all staff members have been confirmed to stay for the full period leading to the Summit
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Table 3
Estimated Costs of Core Activities of Phase II
Estimates below do not include those supported by Tunisia in hosting the Summit.
Estimates of in-kind contributions are based on prices of equivalent UN services.

	(thousand CHF)		
	Cash	In-Kind	Total
Executive Secretariat	2,556	7,324	9,880
Operation (WSIS Fund)	1,454		1,454
Operation (in-kind)		633	633
Executive Director (WSIS Fund)	352		352
Secretaries to E-Director (WSIS Fund)	313		313
Staff (in-kind)		6,691	6,691
Staff from developing countries (WSIS Fund)	437		437
Preparatory Meeting (Tunisia 3 days)	260	147	407
Operation (WSIS Fund)	260		260
Operation & venue (Tunisia in-kind)		*147	*147
* does not include extra costs to hold meeting in Tunisia (i.e. transportation of staff & goods from Geneva, arrangements for side meetings)			
PrepCom (10 days)³	909	375	1,284
Operation (WSIS Fund)	819		819
Operation (in-kind)		375	375
Venue (WSIS Fund)	90		90
PrepCom (10 days)³	909	378	1,287
Operation (WSIS Fund)	819		819
Operation (in-kind)		378	378
Venue (WSIS Fund)	90		90
Preparatory Process Total	4,634	8,224	12,858
WSIS Fund	4,634		4,634
In-kind contributions		8,224	8,224
Summit (other than Host country's responsibility)	393	968	1,361
Operation (WSIS Fund)	393		393
Operation (in-kind)		176	176
Staff (in-kind)		792	792
Fellowship for PrepCom & Summit	1,000		1,000
WSIS Fund	1,000		1,000
Tunis Phase Total	6,028	9,192	15,220
WSIS Fund	6,028		6,028
In-kind contributions		9,192	9,192

³ The location and dates of the PrepCom Meetings have not yet been decided. These cost estimates are based on a 2-week meeting in Geneva.

