STATEMENT ON THE DIGITAL SOLIDARITY FUND (DSF) BY HON. ALBERT KAN-DAPAAH, MINISTER OF COMMUNICATIONS, GHANA AND CONVENOR OF AFRICA ICT MINISTERIAL COMMITTEE ON WSIS AT THE 2ND PREPCOM OF WSIS TUNIS PHASE IN GENEVA ON FEBRUARY 21, 2005

Madam Chairman,

I want to emphasise that although the concept of the Digital Solidarity Fund (DSF) was first floated by an African Head of State, President Abdoulaye Wade of Senegal, it is wrong to perceive it as an African solution to an African problem. This is far from the case. It should be seen more as a Global Solution to an identified Global problem.

If we in Africa are excited about it, it is precisely because we are excited by the whole idea of the WSIS. WSIS excites us because unlike previous economic revolutions, WSIS provides the world with the unique opportunity for us to think together and to plan together so that together we – the whole world – can build a **PEOPLE-CENTRED**, **INCLUSIVE** and **DEVELOPMENMT-ORENTED INFORMATION SOCIETY**. Madam Chairman, the key word here in **INCLUSIVE** which is defined in the Geneva Declaration of Principles adopted here in Geneva to mean all individuals, all communities and all peoples.

Madam Chairman, the term **ALL INCLUSIVE** means a lot to us in Africa because we know the harm that EXCLUSION will inflict on the developing world. And, Madam Chairman, the Geneva Declaration of Principles gave us hope. The commitments spelt out in the Geneva Principles were clear indication that "All-inclusiveness" was a shared vision of the world [international community]. Thus, in paragraph 13 we resolved to "pay particular attention to the special needs of marginalized and vulnerable groups of society and so on.

In para 14, we were resolute in our determination not to leave out the poor, particularly those living in remote, rural and marginalized urban areas. In para 16, we pledged to pay special attention to the particular needs of peoples of developing countries, countries with economies in transition, LDCs, small island developing states, landlocked developing countries, highly indebted poor countries, countries/territories under occupation, countries recovering from conflicts, and so on.

Madam Chairman, it was recognized in the Declaration of Principles and specifically para 17 that building an all-inclusive Information Society required new forms of solidarity, partnership and cooperation among governments and all stakeholders. And what is more, we declared in no ambiguous terms in para 17 that building an all-inclusive Information Society that would bridge the digital divide and ensure harmonious, fair and equitable development for all would require a strong commitment by all stakeholders. We therefore called for what the Declaration of Principles refers to as DIGITAL SOLIDARITY both at the national and the international levels.

Madam Chairman, this is where we are coming from. The primary objective of the DSF is to set up a financing mechanism to address the need for Digital Solidarity as captured

in the Geneva Declaration of Principles from which I have earlier quoted at length. Simply put, the Fund is to intervene more particularly in social sectors and disadvantaged areas all around the world which will otherwise not attract private investment.

Essentially, the Fund is to complement existing financial mechanisms. It is necessary only because as the Task Force on Financial Mechanisms acknowledged, the limitations and the shortcomings of the market do not permit the private sector to intervene in all areas where intervention is needed. The DSF is the suggested solution to address this special need or gap. The DSF will go to assist, on global basis, areas where existing financial mechanisms will not go. That is what we mean by "complementary". The DSF will not, indeed, should not be allowed to compete with other known and efficient financing mechanisms such as the private sector and the International Financing Institutions.

Madam Chairman, the Task Force concluded that the DSF is yet to be operational. This is not entirely true. Its concrete goals and objectives are what I have indicated. And, indeed, following its conception during WSIS I by H.E. Abdoulaye Wade, Senegal teamed up with the cities of Geneva, Lyon and the Province of Turin to operationalise the DSF by registering the Fund in August 2004 in Geneva as a Foundation under Swiss Law with a Secretariat in Geneva. It has since been endorsed by the African Union Summit of Heads of State and Governments and received the support of many local authorities and intergovernmental organisations.

The Fund relies on voluntary commitment of stakeholders, i.e. voluntary contributions of governments, Local Authorities, Private Sector, Civil Society and International Organisations. It has also been proposed that a **voluntary** contribution of 1% on contracts obtained by private ICT service providers is made to the Fund. A disbursement formula has also been put in place.

But Madam Chairman, the mechanics of how the Fund works are not cast in concrete and can be improved upon. Here, we recognize the expertise and experience of our development partners in running similar funds. They know the mistakes associated with similar schemes elsewhere and it is our expectation that once the concept is accepted they can help us to improve upon the mechanisms.

Madam Chairman, I think the DSF is necessary. It must be a complementary financial mechanism. It must be accessible by all. Its registration under Swiss law will provide transparency that is crucial for its survival. The delegations from Africa are unanimous in their support for the Fund and we call upon all other delegations to assist in designing a Fund that all nations can and will support.

On the basis of the foregoing, I wish to repeat the amendment proposed by the delegation of Senegal to the effect that: "We welcome and support the creation of the Digital Solidarity Fund ..."

We recommend to all stakeholders (governments, private sector, civil society and local authorities) to support the Digital Solidarity Fund.