



The Global Digital Solidarity Fund

has 3 main characteristics:

- 1. The Fund proposes a new financing mechanism: 1% of public procurement contracts related to ICTs is paid to the Fund by the vendor on his profit margin**
- 2. The Fund mobilizes new partners: local authorities (cities, regions, provinces...), joined by national Governments, the private sector and NGOs**
- 3. The Fund promotes South-South cooperation: better adapted to local needs and local realities and more respectful of cultural diversity and local contents**



The Fund proposes a new financing mechanism

1. The Digital Solidarity financing mechanism (Geneva Principle)

- a. a contribution of 1% of public procurement contracts related to ICTs**
- b. paid to the Fund by the vendor on his profit margin**

2. Remarks

- a. there is a large difference between ICTs manufacturing price and selling price**
- b. if the 1% condition is clearly specified in public calls for bids, it is compatible with international treaties on public markets (according to WTO)**
- c. the 1% contribution is not a donation. It is an investment in future markets. It gives the right to use the label « **Digital Solidarity** »**



The Fund mobilizes new partners

1. The new partners

- a. in the field of ICTs for development, the traditional partners are national Governments, the private sector and NGOs**
- b. the Fund mobilizes new partners: the local authorities (cities, regions, provinces, ...). It is supported by different networks of local authorities**

2. Remarks

- a. local governments are by definition closer to citizens than national governments**
- b. local governments are more sensitive to the real needs and aspirations of local populations**
- c. local governments are in a better position to find solutions adapted to local realities and local needs**



The Fund promotes South-South cooperation

1. South-South cooperation

- a. traditional North-South cooperation is often too sophisticated to really be efficient**
- b. the Fund promotes South-South cooperation, better adapted to local realities and real needs, and more respectful of cultural diversity and local contents**

2. Remarks

- a. the Fund will target community-based projects, when possible managed by women organizations (using micro-financing)**
- b. the Fund will target community-based projects that address insolvent demand, in order to create new activities and new markets**
- c. the Fund will target community-based projects that respect cultural diversity, local contents, and are easily replicable**



Politically speaking, what is the Fund?

1. The Founding Father

Considering that it was necessary to take concrete action to fight the Digital Divide and the Contents Gap before the Tunis WSIS – phase II, President A. Wade of Senegal proposed to create the Global Digital Solidarity Fund

2. The proposal

The Fund is a proposal of the African Union and NEPAD (Committee on Infrastructures and ICT), supported by the WSIS (PrepCom II) and the United Nations Secretary-General

3. Political support - the Fund is supported by:

- a. the World Summit of Cities and Local Authorities in the Information Society (Lyon, December 2003)**
- b. the Founding Congress of United Cities and Local Governments (Paris, May 2004)**
- c. the International Association of the Francophone Mayors (AIMF, Ouagadougou, November 2004)**



Legally speaking, what is the Fund?

1. Statutes

- a. a Foundation established under Swiss law and placed under the surveillance of the Swiss Confederation**
- b. a Foundation Board of 24 members (1/3 public sector; 1/3 private sector; 1/3 civil society)**
- c. Headquarters in Geneva, in offices provided by the City of Geneva**

2. Founding Members

- a. States: Algeria, Dominican Republic, Equatorial Guinea, France, Morocco, Nigeria, Senegal**
- b. International Organisations: Intergovernmental Agency of the Francophonie**
- c. Cities: Dakar, Geneva, Delemont, Lyon, Paris, Santo Domingo, Curitiba, Urban Community of Lille**
- d. Provinces: Turin, Basque Country, Aquitaine, Rhône-Alpes.**



WHAT NEXT?

1. General Strategy

- a. 2005 – to broaden the political support**
- b. 2006/2007 – to turn political support into an International Treaty**

2. 2005 – The International Agenda

- a. to find new financing mechanisms for development**
 - G8/G21 (Scotland, July 2005)**
 - MDG +5 (New York, September 2005)**
- b. World Summit on the Information Society (WSIS)**
 - 2nd WS of Cities and Local Authorities on the Information Society (Bilbao, November 2005)**
 - WSIS – phase II (Tunis, November 2005)**

3. 2006/2007 – The International Treaty

- a. an International Treaty on the DSF, its financing mechanism and its intervention policy**
- b. World Conference on Digital Solidarity, 2006/ 2007**



CONCLUSION

1. **Information, education and knowledge are the best tools to fight ignorance and poverty**
2. **ICTs give access to information, education and knowledge**
3. **To promote ICTs for development, existing financial mechanisms are not sufficient : the Digital Divide and the Contents Gap are expanding !**
4. **THAT IS WHY THE FUND:**
 - a. **proposes a new financing mechanism:** (1% of public procurement contracts related to ICTs is paid to the Fund by the vendor on his profit margin)
 - b. **mobilizes new partners:** local authorities (cities, regions, provinces, ...), joined by national governments, the private sector and NGOs
 - c. **promotes South-South cooperation targeting community-based projects,** managed by women organisations, that are better adapted to local realities and real needs, more respectful of cultural diversity and local contents, and easily replicable