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INFORMATION FOR DEVELOPMENT
PROGRAM

GLOBAL INFORMATION AND COMMUNICATION
TECHNOLOGIES DEPARTMENT

THE WORLD BANK

MISSION

*To promote innovative projects that use information
and communication technologies for economic and
social development, with a special emphasis on the needs of the
poor in developing economies.*

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FOREWORD

2002 has been an important and exciting year for *infoDev*. Our core program has continued to allocate grants to a vast array of innovative projects in all parts of the world. With the adoption of a new strategy based on knowledge dissemination and flagship initiatives, the program has embarked on the path of deep reform with renewed ambitions.

The coming year promises to be rich with challenges and achievements; the Incubator Initiative is a case in point. The year will also see further opportunities for *infoDev*'s to use its core program's accumulated knowledge to strengthen existing flagship initiatives and develop new ones: African connectivity, e-government, regulatory frameworks, and distance education are at the top of the list. Increased synergies with *infoDev*'s partners and donors (including the World Bank Group) should contribute to the mainstreaming of *infoDev* as a knowledge initiative.

The 2002 Annual Symposium, being held this December in Chongqing, China, should provide additional impetus in that direction by calling international attention to the potential role that ICT (and *infoDev*) can play in such fields as trade, rural development, and government modernization.

infoDev is no longer alone in its class; but it is still unique—and ahead of the pack. When *infoDev* was created in 1995, the role of ICT as a powerful tool to fight poverty was at best a working hypothesis. Seven years later, it has virtually become part of “conventional thinking.” Many international initiatives have been launched recently, including the World Economic Forum's Digital Divide Initiative, the Digital Opportunity Task (DOT) Force of the G-8, the UN ICT Task Force, and the Development Gateway, initiated by the World Bank. All of these aim at reducing the Digital Divide. While some would see such an environment as a threat to *infoDev*'s relevance, signs indicate that our role is more important than ever. *We remain the only organization with seven years of direct and diversified experience in applying ICT to poverty alleviation and socioeconomic development in general.*

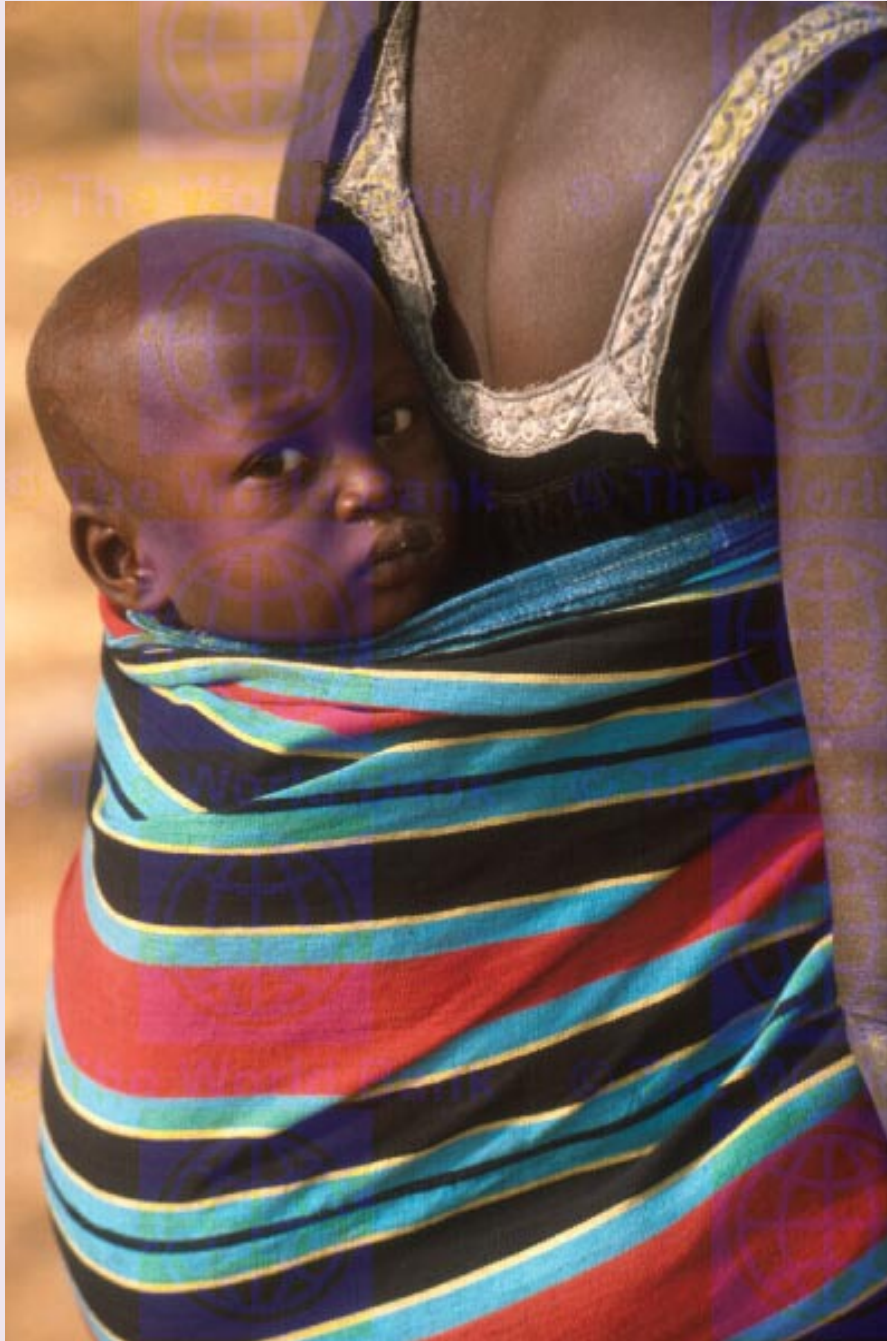


The success enjoyed by several of the “knowledge products” that *infoDev* has developed or contributed to (such as the *Telecom Regulatory Handbook* or the *Global Information Technology Report*) show that demand exists for this kind of project. In 2003, *infoDev* can play a significant and visible role in linking its own experience and accumulated knowledge to the pursuance of the Millennium Development Goals adopted in 2000. In that context, the holding of the first part of the World Summit on the Information Society (WSIS) in December 2003 in Geneva is a milestone that should not be missed.

BRUNO LANVIN
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ABBREVIATIONS AND ACRONYMS

AC	African Connection
DFID	Department for International Development (UK)
DGF	Development Grant Facility of the World Bank
DOT Force	Digital Opportunity Task Force
ECOWAS	Economic Community of West African States
FY	fiscal year
GKD	Global Knowledge for Development
GKP	Global Knowledge Partnership
IDG	Internationally Agreed Development Goals
ICT	information and communication technologies
IICD	International Institute for Communication & Development
<i>infoDev</i>	Information for Development Program
IT	information technology
ITU	International Telecommunication Union
NGO	nongovernmental organization
SME	small- and medium-scale enterprise
TAP	Technical Advisory Panel
WSIS	World Summit on the Information Society
Y2K	year 2000





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MAINSTREAMING ICT IN THE FIGHT
AGAINST POVERTY

ICT AND DEVELOPMENT: THE CHANGING CONTEXT

Efforts to harness the power of information and communication technologies (ICT) to foster economic and social development and help the poor long predate the advent of the Internet and the World Wide Web. In areas as diverse as public sector reform, private sector development, education, health, the environment, and agriculture, developing countries and their partners in the international community have sought to use radio, television, computers, and related technologies to increase access to information, to build skills, to share knowledge, and to make institutions and markets more transparent and effective.

Great Expectations

Yet the remarkable technological developments of the final decade of the 20th century—the emergence of global connectivity as an economic and social force, the dramatic and sustained advances in the power and speed of computers relative to their cost, the vast expansion of communications networks, the unprecedented creativity in the development of software and applications, the spread of affordable mobile telecommunications—seemed to hold out the hope that ICT could have a truly *transformative* effect on the development process and on the hopes of millions of the world’s poorest. From the mid-1990s, some predicted that developing countries could “leapfrog” several stages of technological and economic development, benefiting from the newest technologies to build new sectors of economic opportunity, tackle their education and health challenges in new ways, and give their leaders and citizens instant access to global knowledge and best practice. While few imagined that ICT were a “magic bullet” for the intractable problems of poverty, many believed that the power of these new technologies offered previously unimaginable opportunities for economic and social development, even in the poorest countries.

International organizations reflected this optimism in their programs, with a surge of interest in ICT throughout the development community. Efforts focused not only on how ICT could strengthen existing efforts in traditional development sectors from health and education to agriculture and environment, but also on how developing countries could create new economic opportunities through the clever deployment of ICT. At the same time, the longstanding (and still unfinished) effort to persuade developing countries to liberalize and privatize their telecommunications sectors, so as to attract private investment and foster innovation, was complemented by growing efforts to help these countries create enabling environments and policy frameworks for the ICT economy more broadly. Programs proliferated to help developing countries assess their readiness for the new technologies and networks, develop strategies to deploy them, and adapt them to their specific needs.

It was in the early days of this “Internet boom” of the ICT-for-development field that *infoDev* was created in 1995. And, as the table at the end of this section shows, *infoDev* continues to play an active and important role in the global effort to harness ICT in the fight against poverty and the pursuit of the Millennium Development Goals (MDG). Despite the new challenges faced by the global economy (and particularly the technology sector) since 2001, the promises of ICT for development and poverty reduction remain intact. However, the multiplication

of initiatives, excessive enthusiasm from some newcomers, and unrealistic expectations have resulted in some confusion on the role ICT can play in the development process and a general feeling that not enough evidence yet exists of the positive impact of ICT in tackling development issues.

The Road Ahead

Nevertheless, it remains clear that it will not be possible to reach the Millennium Development Goals without using ICT tools more broadly and with an increased determination. It is also clear that a better effort needs to be made to disseminate and share the lessons learned and the successes recorded over the last five to seven years on the use of ICT for development in such sectors as education or health.

For *infoDev*, the challenge is now to share more broadly and effectively what is known about “what works and what doesn’t” in the use of ICT in fighting poverty and fostering sustainable development. The opportunity that presents itself, if this challenge is properly met, is to truly and fully mainstream ICT as a powerful tool of development, by helping a broad range of stakeholders in developing countries—government officials, entrepreneurs, teachers, citizens groups, NGOs, health specialists—experiment, learn, and share what works in harnessing ICT to meet the Millennium Development Goals.

infoDev’s increased emphasis on evaluation, dissemination of best practices, and scaling up of successful approaches reflects the realization that the real test of the success of ICT in development efforts is whether they ultimately contribute to reducing poverty, increasing opportunity, and improving the lives and livelihoods of the poor.

INFORMATION AND COMMUNICATION: THE OXYGEN OF MODERN ECONOMY AND SOCIETY

It is no coincidence that *infoDev*’s full name is the Information for Development Program. While ICT (in all their variety) have been the principal focus of *infoDev*’s work, this focus is rooted in a recognition of the importance of information and communication—made possible by a vast range of tools, from the human voice to the Internet—as key enablers of economic and social life in any society.

It has long been recognized that persistent poverty, limited growth, and inequality in developing countries are not simply the result of uneven access to material and financial resources. Persistent poverty, at both an individual and societal level, has deeper and more systemic roots. The material deprivations of the poor are compounded by their lack of access to education, information and knowledge, their lack of voice in the institutions and societal processes that shape their lives, and their inability to communicate effectively their needs, hopes, and expectations to those who have control over them.

These deprivations are mirrored at the societal level by institutions and markets that function poorly, that are often unresponsive to the needs of the disadvantaged and disenfranchised, and that are all too frequently captured or excessively influenced by economic, social, or cultural

elites. Information and communication are in many ways the oxygen of modern economy and society. Although economists have long recognized that “perfect” information is an unrealized ideal in any economic interaction, the pivotal role of information in the proper functioning of markets remains a fundamental insight of economics and a fundamental reality of market economies.

Beyond Markets

Yet the importance of information, and its wide and free flow through society, extends beyond markets. In societies where information flows badly, and where the poor lack adequate access to information about rights, services, and opportunities, the institutions that are supposed to serve their needs are often unresponsive, inefficient, and subject to influence by those with greater resources. When the poor lack information about basic hygiene and health issues or about the resources available to address health and hygiene problems, sickness and disease spread and perpetuate their poverty. When poor farmers lack information about crop prices, new farming techniques, new markets, or even weather forecasts, they remain excessively dependent on middlemen, unable to adapt to environmental and market changes, and unable to get the best yield from their own labor and that of their family.

When information flows badly both within government institutions and between those institutions and their stakeholders, the institutions remain inefficient and more likely to make poor policies. Their lack of transparency makes them more susceptible to corruption and improper influence. Their lack of access to best practice, to information about the true needs and conditions of their clients, and to knowledge about developments in other sectors of society and economy that constrain and shape their own decisions and actions, means that even the most well-meaning government officials risk making short-sighted or self-defeating decisions.

Information-Poor Environments

In short, experience over the last several decades with the intractable problems of poverty shows that poor countries and poor communities are not just resource-poor environments. In most cases they are also, and just as importantly, information-poor environments. The poor lack access not only to vital information and knowledge that could improve their lives, but access to effective voice in the societal institutions and processes that shape their lives. Those institutions and processes, in turn, are inefficient and sometimes corrupt, also in part because of weak information flows within society.

Information-poor environments are also usually low-growth. While development economists (and others) have long disagreed about the relative emphasis to be placed on aggregate growth or poverty reduction within national development strategies, it is widely agreed that robust economic growth at a societal level is an indispensable element in reducing poverty. Yet it is difficult, if not impossible, for such growth to occur in environments where markets and institutions perform poorly because of weak information, communication and knowledge flows. Where information flows poorly, and where communication is difficult, investment and innovation are also scarce. It is well known that unreliable information and communications infrastructure, along with poor physical infrastructure, is a major deterrent to foreign private investment in many developing countries.

Harnessing Knowledge

The relation between ICT, economic growth and poverty reduction has another crucial dimension as well. ICT, just as other technologies before them, increase in myriad ways the efficiency and productivity of individuals and firms, both by permitting greater outputs for a given input of scarce resources and by making available new information and knowledge about processes, products, techniques and markets. The poor typically spend a disproportionate percentage of their scarce resources (labor, time, money, land, water, and other resources) to secure the things necessary for themselves and their families because they have less access to the time-saving and productivity-boosting effects of technology. This is no less true with ICT than with earlier technologies, from motors to tractors.

Where information flows poorly and communication is difficult, knowledge flows poorly as well. As the World Bank's 1998–99 World Development Report clearly demonstrated, effectively creating, harnessing, adapting and using knowledge is vital not only to growth and competitiveness in an increasingly global economy, but also to addressing the needs of the poor and the root causes of persistent poverty. In information-scarce environments, the poor are not only deprived of the benefit of rapidly expanding global knowledge on health, agriculture, environmental management, and other issues vital to their daily lives. They are also deprived of opportunities to develop new skills that can give them new opportunities, and of the empowerment that comes with understanding the functioning of their societal and governmental institutions and their roles and rights within them. Last but not least, they are deprived of the opportunity to share their own, often extremely valuable and centuries-old local knowledge, and to reap benefit from that knowledge, while also benefiting from the traditional knowledge of other poor communities.

MAINSTREAMING ICT

Understanding the vital role of information, communication, and knowledge in the functioning of vibrant markets and responsive societal and governmental institutions helps us understand what it means to “mainstream” ICT in national development strategies and in the work of the international development community. It is perhaps useful to begin, in the light of recent experience, by stressing what “mainstreaming” does *not* mean. It does *not* mean insisting on an “ICT component” to every development project—though it does imply a careful attention to when, and how, ICT might help any project meet its objectives. It does *not* mean making ICT the principal focus of national development strategies—although an awareness of the importance of information and communication, and thus ICT, is a vital component of any such strategy.

In its simplest form, “mainstreaming” *does* mean, first and foremost, engaging in a frank and comprehensive diagnosis of the information and communication dimensions of a given country's development challenges. It means asking the fundamental question: How can we create a situation where information flows much more freely and widely, and where communication is easier, broader and more inclusive within our society, so as to create more vibrant markets, better economic growth, more responsive government institutions, more participatory and inclusive societal processes?

The answer to this question, although distinct for each country, covers two mutually dependent areas. The first is the establishment of an *enabling environment* for an information-rich economy and society; the second is the *innovative, appropriate use of ICT* within the various sectors of economy and society.

Establishing an Enabling Environment

Establishing an enabling environment itself involves two sets of actions. The first set is the creation of *policy and regulatory frameworks* for encouraging competition, innovation, and private investment in information and communication infrastructure, products, and services.

While some (uneven) progress has been made in introducing competition and reducing the role of government in telecommunications (and broadcasting) in developing countries, there is still much to be done even on this fundamental element of the enabling environment for ICT. There also is the need for a broader range of actions influencing policies and practices that constrain the growth and effective use of ICT, from import restrictions on high-technology products to weak intellectual property regimes and regulatory impediments to new business creation.

Yet, creating an enabling environment for an information-rich society and economy goes beyond creating the frameworks for ICT growth. It entails a second set of actions directed at issues that are more fundamental and challenging for many developing countries. Information-rich economies and societies emerge and thrive in contexts where people have the right and ability to expect that information will be available to them—that public and private institutions, markets, and government officials will behave in an open and transparent manner. Of course, even in the most information-rich society this expectation is never fully met. But developing countries governments can take significant measures—in areas such as freedom of information, accountability of public servants, transparency of market regulation and operation—that create a *virtuous cycle of expectation and supply* of public information about markets, institutions, policies and processes within a society. One of the facts often overlooked in analyses of the growth of the “information economy” in advanced countries is that these countries already had in place the policies, institutions, expectations, and practices of information-rich societies and economies.

Using ICT Well

The second area for creative action by developing country governments, supported by their partners in the international community, is *innovative, appropriate use of ICT* within the various sectors of economy and society. It is here that there has been substantial experimentation in recent years, much of it supported by multilateral and bilateral development agencies, NGOs, the private sector, and other international partners.

The results, although often encouraging, have also been uneven, for at least two reasons. First, there has often been a tendency to propose a solution before conducting a proper diagnosis. The development community, which has a long history of identifying “gaps” which need to be filled between developed and developing countries, identified the “digital divide” as a key issue of the late 90s, and much effort was made (at great expense) to “bridge” that divide by helping developing countries, and poor communities, gain access to new digital technologies.

Often, these efforts were supply-driven, lacking an adequate attention either to the broader economic, social, and policy context into which the technology was being inserted or to its sustainability and appropriate use over time. (The telecenter movement, despite some successes, offers abundant examples of this problem.)

Second, while these efforts were intended to increase pressure on developing country governments to make progress on broader reform in the enabling environment (both by creating local “success stories” and by generating local demand for new ICT products and services), they often had the paradoxical effect of diverting attention from those deeper and more crucial efforts, both in developing country governments and in development agencies. While their “incrementalism” and experimentation was vital to the early stages of efforts to understand the role of ICT in development, their modest scale deprived them of the leverage necessary to generate the significant policy change that would create the conditions for scaling up.

ICT and the Millennium Development Goals

The growing international attention to, and consensus on, the Millennium Development Goals (MDG) is allowing the ICT-for-development effort to advance to the crucial next phase: mainstreaming ICT in development strategies by demonstrating their effectiveness in helping reach those goals.

The MDG set specific benchmarks for progress in reducing poverty, disease, hunger, environmental degradation, and disempowerment of the poor in the coming years. In reading them, it is clear that every one has a significant, if often implicit, component of increasing information, communication and knowledge for individuals, institutions, markets and societies, and of making institutions and markets more productive and efficient.

Poverty can only be halved if the poor have greater access to information, knowledge, and opportunities—in societies and markets that are themselves more efficient, transparent, and productive. Hunger can only be reduced if farmers are more productive, food markets and trade are more efficient, global best practices are shared, and the causes of famine are better understood and addressed. Women and girls can only be empowered and educated if they—and their teachers—have access to learning opportunities, gain the ability to be heard in local and national debates and decisions, and have the ability to learn from, and share strategies with, women and girls facing similar challenges in other communities and countries. Debilitating diseases can only be combated if knowledge about prevention is more widespread, the ability to monitor their outbreak enhanced, and global knowledge about therapies and cures more effectively shared.

The Key: Use ICT as a Means, Not an End

The key to mainstreaming ICT in the fight against poverty and the pursuit of the MDG, then, is not to begin with ICT, nor to posit them as an essential need. Rather, it is to determine, country by country and region by region, the impediments to realizing the MDG. It is to ascertain the information, communication, knowledge, and efficiency components of these impediments. It is to assess, on the basis of global experience, how ICT—broadly deployed and properly adapted—could help address these impediments. And it is to develop and implement a

strategy for encouraging and supporting the deployment of ICT, in support of, and subordinate to, a national strategy for meeting the MDG and fostering broad and sustainable development and growth.

In mainstreaming ICT for development and poverty reduction, it is vital to keep in mind the critical role of private sector investment and innovation in the effective deployment and use of ICT within any society. There are two reasons for this. First, the scope and scale of ICT deployment in a country is potentially so vast that it can only be sustainably supported by private investment, both domestic and international. Second, the ways in which ICT are used most effectively in any given society and economy will depend on a variety of unique local circumstances, and thus the capacity to innovate and adapt are crucial. Private investors, inventors, and entrepreneurs, in partnership with NGOs, local communities, and other end-users of ICT, are better suited to this innovation and adaptation than governments.

The role for developing country governments, however, remains equally crucial, in at least three areas. First, governments need to exercise leadership, in cooperation and consultation with the private sector, civil society, and other stakeholders, in articulating and implementing a national strategy for achieving the MDG and combating poverty, and in that context for harnessing the power of ICT. Second, they need to take, and rigorously implement, the complex but crucial policy and regulatory measures that will create an enabling environment for the broad deployment and effective use of ICT in all areas of economy, society and government. Third, they have to pay particular attention to helping the poorest and most marginalized gain access to the benefits of ICT, both directly and indirectly. They should, wherever possible, do this not by replacing private investment, but by a careful combination of policies, incentives, and investments that push the boundaries of the market and help temporarily those not yet served by it.

In all of this, ICT are not the objective; they are a *tool* of a broader strategy to fight poverty and create sustainable growth. Mainstreaming ICT in development means subordinating them to this broader purpose. For the international community, it means shifting from a focus on ICT as a key theme for its dialogue with developing countries to a focus on the MDG and how ICT can help attain them, within the context of a broader (and more difficult but important) effort to create information-rich societies and economies in developing countries.

THE ROLE OF THE INTERNATIONAL COMMUNITY

The international community—multilateral and bilateral development agencies, the private sector, NGOs, and others—has already played an important and varied role in helping developing countries realize the benefits of ICT in combating poverty and supporting sustainable development. This role has taken several forms:

- Awareness-raising and advocacy;
- Support (both technical and financial) for policy and regulatory reform, telecoms sector restructuring, and the deployment of specific ICT applications and infrastructure; and
- Support for innovation, experimentation, and knowledge-sharing in ICT applications relevant to the needs of the poor.

All of these efforts are worthwhile and should continue. However, as the discussion of the MDG above suggests, the international community's attention to ICT as a tool of development could benefit from greater focus and discipline, particularly by focusing more concretely on how ICT, and their effective spread and use, could advance the Millennium Development Goals.

The high-level international dialogue on ICT in the past few years has tended at times to have only a weak link to the more important international dialogue, and action, on the MDG. At the same time, support for innovation and experimentation in ICT applications relevant to poverty reduction has often been poorly coordinated and difficult to replicate, and there has often been a disconnect between support for ICT experimentation at the local level and efforts to influence the ICT enabling environment at the national level, thus limiting the chances that local successes (when they occur) will be sustainable and scaleable.

While there is increasing consensus within international organizations of the need to go beyond the "pilot-project" phase of ICT for development and to "scale up and replicate" successful models, there is less attention to the need to embed these efforts in a more strategic approach to leveraging broader policy changes. Making the MDG the benchmark against which ICT-for-development efforts are measured over time provides a discipline and focus to these efforts that will help them better realize their ultimate goal—which is to help developing countries become vibrant market economies and robust societies with responsive governments, where the poor have opportunity, a voice, and access to the knowledge and information that will help them improve their lives.

The preparation for the World Summit on the Information Society—to be held in Geneva, Switzerland, in December 2003 and in Tunis, Tunisia, in 2005—represents an opportunity for the international community to focus its ICT efforts on the MDG, and thereby on harnessing the true power of ICT as a tool of hope for all.

THE MILLENNIUM DEVELOPMENT GOALS

At the Millennium Summit in September 2000, the member states of the United Nations refined and adopted a set of "millennium development goals" (MDG) for reducing poverty and creating sustainable development over the coming years. These goals, reaffirmed during the summer of 2002 by the World Summit on Sustainable Development in Johannesburg, are as follows:

1. **Eradicate extreme poverty and hunger.**
2. **Achieve universal primary education.**
3. **Promote gender equality and empower women.**
4. **Reduce child mortality.**
5. **Improve maternal health.**
6. **Combat HIV/AIDS, malaria, and other diseases.**
7. **Ensure environmental sustainability.**
8. **Develop a global partnership for development.**

TABLE 1
infoDev PROJECTS IN FISCAL 2001 AND 2002 AND THE
 MILLENNIUM DEVELOPMENT GOALS

<i>Goals</i>	<i>Project Title</i>	<i>Grantee Organization</i>	<i>FY</i>
Goal 1: Poverty Reduction	CDI International Expansion	CDI - Committee for Democracy in Information Technology, Brazil	2002
Goal 1: Poverty Reduction	Inter-city Marketing Network for Women Micro-Entrepreneurs	Foundation of Occupational Development (FOOD), India	2001
Goal 1: Poverty Reduction	Empowerment Incubator for the Voluntary Sector In North Eastern India	Earth Conscience Foundation, India	2002
Goal 1: Poverty Reduction Goal 8: Partnership	Siberian Development Net	Cryptos, Russia	2002
Goal 1: Poverty Reduction	Design and Implementation of Community Telecenters of Information and Communication (Chile)	Government of Chile, Ministry of Transports and Telecommunications, Chile	2001
Goal 1: Poverty Reduction	Future Stations	Viva Rio, Brazil	2002
Goal 1: Poverty Reduction Goal 8: Partnership	Using Satellite Technology to Disseminate Critical Knowledge Throughout Africa	WorldSpace Foundation, United States of America	2002
Goal 2: Education	<i>infoDev</i> Motorola Visiting Fellowship Program	Motorola University, United States of America	2001
Goal 2: Education	Kidlink Houses and Families in Brazil Fundacao Padre	Fundacao Pe Leonel Franca Foundation (FPLF) of the Pontifical Catholic University (PUC) Rio de Janeiro, Brazil	2001
Goal 2: Education	Creating a Global Information Network on Distance Education (Worldwide)	Commonwealth of Learning (COL), Canada	2001
Goal 2: Education	OpenSchool: A collaboration platform for educational content development using Open Source principles	CSIR, South Africa	2002
Goal 2: Education	School Governance Networks for Educational Improvement in Developing Countries (Gansu, China Pilot)	Harvard University, United States	2002
Goal 2: Education	Tuition Free Telecommunications Training	United States Telecommunications Training Institute (USTTI), United States	2001
Goal 3: Gender Equality	UNECA/CISCO Training of Women Entrepreneurs (East Africa)	United Nations Economic Commission for Africa, UNECA - Ethiopia	2001
Goal 3: Gender Equality Goal 4: Child Mortality Goal 5: Maternal Health Goal 6: HIV / AIDS	Radio-Internet Brazil	Cemina, Brazil	2002
Goal 3: Gender Equality Goal 4: Child Mortality Goal 5: Maternal Health Goal 6: HIV / AIDS	EHAS PROGRAM (2002-2003) Hispano American Health Link	Asociación Madrileña de Ingeniería Sin Fronteras, Spain	2002
Goal 3: Gender Equality Goal 4: Child Mortality Goal 5: Maternal Health Goal 6: HIV / AIDS	A Voice Portal for Health	Voxiva, Peru	2002

<i>Goals</i>	<i>Project Title</i>	<i>Grantee Organization</i>	<i>FY</i>
Goal 3: Gender Equality Goal 4: Child Mortality Goal 5: Maternal Health Goal 6: HIV / AIDS	Improving Healthcare and Education through shared ICT Resources (Nigeria)	The Fantsuam Foundation, Nigeria	2001
Goal 8: Partnership	African Connection- Consensus Building	Development Bank of Southern Africa DBSA, South Africa	2002
Goal 8: Partnership	Buy South Africa On-line, South Africa,	Triple Trust Investments, South Africa	2002
Goal 8: Partnership	Data Fusion for Flood Analysis & Decision Support	Wuhan Univ. of Hydraulic and Electric Engineering (WUHEE), China	2001
Goal 8: Partnership	E-Government	Center for Democracy and Technology, United States	2002
Goal 8: Partnership	Electronic Bulletin Board for Farmers-Philippines	b2bpricenow.com, Philippines	2002
Goal 8: Partnership	E-Readiness Assessment for Small and Medium Enterprises (SME) in Egypt	Ministry of Foreign Affairs, Egypt	2001
Goal 8: Partnership	Exploring Adequate Reform Models for the Telecom sector (China)	Exploring Adequate Reform Models for the Telecom Sector in China, China	2001
Goal 8: Partnership	Global Knowledge for Development Online Forum (Worldwide)	Education Development Center Inc., United States of America	2001
Goal 8: Partnership	Implementation of OHADA.com: A legal and Economic Internet Portal for Africa	UNIDA, France	2002
Goal 8: Partnership	Online ICT Resource Centre for the Global Development Community Development Community (Worldwide)	Association for Progressive Communications (APC), United States of America	2001
Goal 8: Partnership	RITS (Brazil) - Experimentation And Application Of Adequate ICT To Contribute To Internet Access For Third Sector Organizations	RITS - Rede de Informacoes para o Terceiro Setor (Information Network for the Third Sector), Brazil	2001
Goal 8: Partnership	VITA-Connect	Volunteers in Technical Assistance VITA - CONNECT, United States of America	2002
Goal 8: Partnership	World Economic Forum	World Economic Forum, Switzerland	2002
Goal 8: Partnership	World Regulatory Colloquium for the Networked Economy (RFP)	Learning Initiatives on Reforms for Network Economies (Lirne.net), Denmark	2001
Goal 8 : Partnership	Maestros al Trabajo- Venezuela, DM Award	Obraweb, Venezuela	2002





THE INFODEV PORTFOLIO

2

This chapter reviews the fiscal 2002 portfolio, compares it with the 2001 portfolio, and discusses emerging trends in the composition of activities with respect to *infoDev* strategic objectives. It also describes the achievements of illustrative initiatives and projects.

As of June 30, 2002, *infoDev*'s portfolio (since 1995) comprised 249 projects with a total cost of \$86.5 million, of which *infoDev* funded \$26.9 million. Table 2 breaks down the 2002 portfolio by region and by initiative, including the percentage of funding provided by *infoDev*.

TABLE 2
PROJECT FUNDING IN FISCAL 2002, BY REGION AND INITIATIVE

Region	Number of Funded Projects				Percentage of Total Funding			
	Core Program	Country Gateway	E-Readiness	Total	Core Program	Country Gateway	E-Readiness	Total
Sub-Saharan Africa	9	5	1	15	26%	31%	12%	27%
Latin America and the Caribbean	10	4	2	16	29%	25%	25%	28%
Middle East and North Africa	1	1		2	3%	6%		4%
South Asia	1	1		2	3%	6%		4%
East Asia and Pacific	7	1		8	21%	6%		12%
Europe and Central Asia	3	4	4	11	9%	25%	50%	19%
Global/Multiple Regions	3		1	4	9%		13%	6%
Total	34	16	8	58	100%	100%	100%	100%

CORE PROGRAM

Under its core program, *infoDev* provides grants that support innovative projects or activities aimed at alleviating poverty through the use of ICT.

The core program is demand-driven; that is, it is implemented via projects selected on the basis of unsolicited proposals. The proposals—which can cover one or more countries—may be submitted by governments, nonprofit organizations, private companies, development organizations, or partnerships between different stakeholders in the international development community. The proposed activities may be in several fields, including e-commerce, education, telecommunications policy, and health.

Most of the activities in *infoDev*'s project portfolio fall into four broad categories: Consensus Building, Information Infrastructure Strategies, Telecommunications Reform, and Demonstration Projects. More information on *infoDev*'s core programs is available at www.infodev.org/projects/apply.htm.

Overview

The core program attracted 235 new proposals in fiscal 2002. The fiscal year started with 45 active projects in the portfolio; over the course of the year, *infoDev* funded 34 new projects in the core program and 38 previous projects were completed (the figures include iCSF). The

value of the new projects was \$11.3 million, of which *infoDev* funded \$3.3 million. The average amount of funding per project was \$160,000 for the core program and \$20,000 for the iCSF. By the end of fiscal 2002, 43 projects were active, as compared to 44 active projects in fiscal 2001. This brings the total of funded projects over the life of the program to 178, of which 135 have been completed (see Annex 3).

Figures 1–4 describe both the proposals *infoDev* received during fiscal 2002 and the core funded initiatives (by proponent institutions and geographic distribution). As can be seen, proposals come from a similar distribution of public sector entities, NGOs, and academic institutions as in the past. A clear increase of funded projects for private sector and international organizations characterizes fiscal 2002.

The percentage of funded projects increased respectively from 19%, in fiscal 2001, to 31% for the Africa region, and from 19%, in fiscal 2001, to 32% for the Latin America region.

Table 3 lists the active and completed projects in the core program by sector. As in previous years, projects dealing with telecommunications and Internet have been a significant part of the ICT portfolio. The pilot and demonstration projects demonstrate *infoDev*'s commitment to new innovative projects that may be scalable when completed.

TABLE 3
ACTIVE AND COMPLETED PROJECTS AS OF JUNE 30, 2002,
BY SECTOR AND MAIN ACTIVITY

<i>Main Activity</i>	<i>Sector</i>							<i>Total</i>
	<i>Telecom</i>	<i>Internet</i>	<i>Education</i>	<i>Health</i>	<i>Environment</i>	<i>Gov't</i>	<i>e-Commerce</i>	
Networks and Communities of Interest	1	6	3	1	2	1	1	15
Policy	16	7				1	1	25
Capacity Building	16	28	6	2	8	4	5	69
Pilot and Demonstration	4	14	13	11	10	6	11	69
Total	37	55	22	14	20	12	18	178

Proposal Evaluation

The proposal evaluation deadline for this year was February 1, 2002, and the reviews were completed in late March 2002. *infoDev* received 235 proposals in this batch. All were screened by the *infoDev* Committee. Thirty proposals were chosen for review by an external panel of experts that met on March 22, 2002, at *infoDev*.

Table 4 shows the number of proposals processed in fiscal 2002 and the comparative numbers since fiscal 1995. The number of proposals received in fiscal 2002 represents almost 50 percent of the total received from fiscal 1995 to 2001.

FIGURE 1
infoDEV Proposals
in Fiscal 2002, by Proponent Type

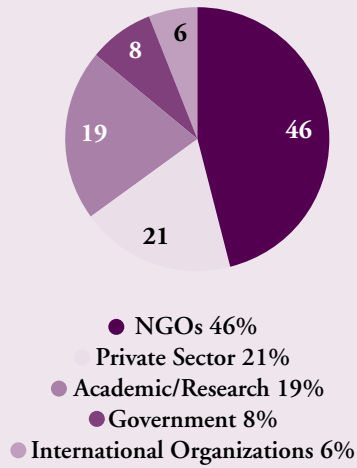


FIGURE 2
infoDEV Funded Projects
in Fiscal 2001, by Proponent Type



FIGURE 3
infoDEV Proposals
in Fiscal 2002, by Region

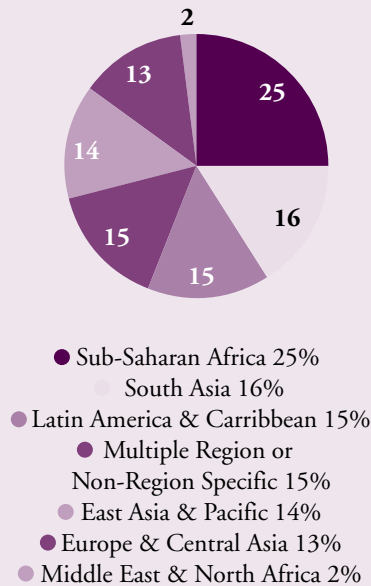


FIGURE 4
infoDEV Funded Projects
in Fiscal 2002, by Region

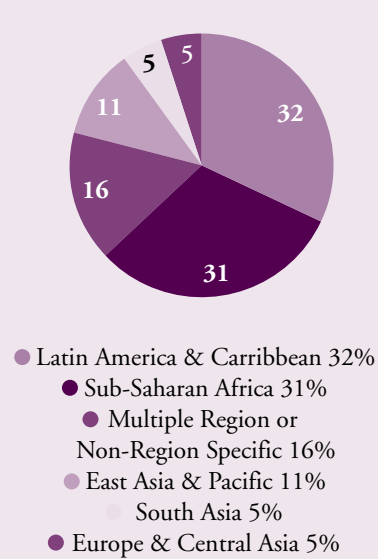


TABLE 4
PROPOSALS PROCESSED AS OF JUNE 30, 2002

<i>S t a t u s</i>	Fiscal Years 1995-2001	Fiscal Year 2002	Total
Proposals Received	771	303	1074
Proposals not Accepted	578	243	821
Proposals Funded	145	34	179
Proposals Completed	100	38	138

Note: Includes iCSF proposals.

Newly Funded Projects

During fiscal 2002, 34 new projects were funded. At the end of the fiscal year, 43 projects were active. (Annex 3 lists all active projects; Annex 4 lists all completed projects.) Some of the newly funded projects are profiled here to illustrate the multidimensional nature of the infoDev core initiatives, which have the following overall mandates:

- Creating market-friendly environments to accelerate global access to information and communications;
- Reducing poverty and exclusion of low-income countries and social groups;
- Improving health and education;
- Protecting natural resources and the environment; and
- Increasing government efficiency, accountability, and transparency.

Latin America and the Caribbean

The objective of the *Voice Portal for Health* project is to test and evaluate a public health voice portal for Peru. Remote and dispersed health care professionals will be able to communicate and gather critical information. This will strengthen public health programs such as maternal health and immunization.

The portal integrates a telephone-based technology with web-based IT systems to communicate with and gather critical information from remote health care workers and populations. By making these services accessible by telephone piggybacking on Peru's rapidly expanding telecommunications infrastructure the technology can reach a wider group of users than Internet or other IT-based system.

The goal of *Strengthening Women's Leadership in Community Development through Radio Internet in Brazil* is to improve education on gender by strengthening the use of community radio by low-income women in Brazil. The proponent, which broadcasts a network of 350 women's radio programs throughout Brazil, in 1998 started integrating the Women's Radio Network (WRN) into the Net.

Questions have been raised about the long-term sustainability of existing telecenter models as well as their limited outreach. Obstacles of cost, language, local relevance of content and distance limit access for poorer residents—especially those in remote rural communities. Community radio, in this project, is seen as an alternative to telecenters. Community radio can expand telecenter investments by expanding outreach and increasing participation and value.

Africa

In Africa, the project *Using Satellite Technology to Disseminate Critical Knowledge throughout Africa* will apply ICT to assist developing African countries in overcoming obstacles to social and economic development. The project will:

- Establish a communications model for the cost-effective dissemination of multimedia information through the use of digital satellite technology. Target organizations include but are not limited to : medical libraries, schools, and community-based organizations.
- Develop user-friendly training manuals to facilitate the use and maintenance of the technology.
- Develop user-friendly manual and guidelines for digital content development and formatting for the multimedia service.
- Train a core group of “proponent trainers” who are positioned to implement the technology within their host institutions and who will serve as trainers of additional operators within their organization and locality.
- Develop a framework for the selection and evaluation of content, with particular emphasis on African information providers.

A pilot project will be conducted to demonstrate the viability of this digital satellite technology as a low cost way of delivering timely, useful and relevant material to African institutions with limited information access. The four main activities of this project will be Equipment installation: distribute the necessary hardware and software to eight test sites for receiving digital satellite radio broadcasts.

The project will also design and conduct a training workshop for approximately fourteen people on the use and maintenance of the equipment. The workshop will be conducted in Nairobi, Kenya.

East Asia

In East Asia, the project *School Governance Networks for Educational Improvement in Developing Countries (Gansu, China Pilot)* will help improve governance in isolated rural schools. An ICT-enabled rural school governance network for principals in remote regions of Northwest China will be created. ICT tools that facilitate school management and planning and promote interaction with peers and expert advisors will be designed, piloted, and refined. Using a randomized experimental design, the effects of the network on school management and student achievement and engagement will also be assessed. Lessons learned will be disseminated to educators, development practitioners, policymakers, and scholars. The project will:

- Develop ICT tools for rural junior secondary principals that facilitate school management and planning as well as interaction with peers and expert advisors;
- Launch tools as sustainable “Governance Networks” in rural Chinese junior secondary schools;
- Critically evaluate the consequences of networks for school functioning and student engagement and achievement; and
- Disseminate lessons learned to educators, development practitioners, policymakers, and scholars.

Global

The VITA-CONNECT project helps expand access to connectivity and useful information resources for organizations and individuals working at the grassroots level in underserved areas of developing countries. VITA will develop and deploy a satellite-based telecommunications solution that provides affordable access to digital information resources in remote areas. The VITA-connect solution includes connectivity to a telecommunications network (VITAsat), a satellite-based “store-and-forward” email application and service (VITAmail), and access to a series of specialized Web-based information services (VITAinfo) developed by the grant recipient.

The main component that *infoDev* is funding is the implementation, testing, and pilot use of the VITAmail component. This includes a software interface facilitating access to VITAsat and VITAinfo and the full information and community-building resources of the Internet for users constrained to email connectivity. Participating organizations in developing countries will be offered these services at an estimated annual fee of less than \$500 per site. The operation of the whole system is expected to become self-sustaining in three years.

South Asia

The Empowerment Incubator project in India establishes an online service in the North Eastern region of India to promote sustainable development. This project will establish an online service and deliver IT training to the civil society. This training will introduce participants to the information and communication resources available through the Internet, and will help guide the participants through a planning process for effectively introducing and utilizing the Internet into their respective institutional settings.

This project has four main activities:

- Establishment of the online service (Virtual Empowerment Incubator);
- The developing the web site, online resources, and resource persons;
- Training and demonstration of online service for efficient use of the incubator; and
- Dissemination of lessons learned.

THE *infoDev* CONFERENCE SCHOLARSHIP FUND (*iCSF*)

The *infoDev* Conference Scholarship Fund (*iCSF*) facilitates the attendance of professionals from developing countries at conferences and training events related to the use of ICT for development. The *iCSF* makes block grants to the event organizers, who then are able to sponsor the participation of individuals (“*iCSF* Fellows”) from developing countries. For further information about the *iCSF*, see www.infodiv.org/icsf.

Applications are judged on the relevance of conference content to *infoDev*'s mission, the qualifications of proposed Fellows, and cost-effectiveness. The *iCSF* noted a surge in applications for fiscal year 2002: 50 formal applications were received, which is more than double the number from the previous year. This is a sign that the program now is more mature and better known. The *iCSF* Call for Proposals is rolling on an almost continuing basis and applications are accepted throughout most of the year.

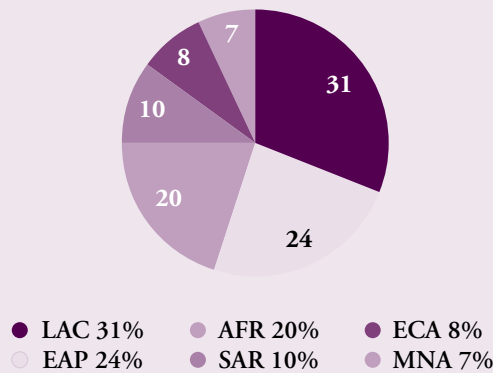
"I got a very good understanding of "ISP Routing" and BGP/OSPF peering and I am now actively involved in setting up [an Internet Exchange] with the knowledge I got from the workshop. We do not have an Internet Exchange yet in Nepal. I also got a better insight into security issues for an ISP after attending "ISP Security" workshop and have already implemented some of the systems in my network and am helping other providers do the same. Now, I have a more secure network that will protect my servers from various security vulnerabilities that were present before. I am also planning to organize a similar conference/workshops on a national level in the near future." —iCSF Fellow

As Table 5 shows in fiscal 2002, the iCSF sponsored 15 conferences at roughly \$242,000 of net total funding.¹ This allowed 178 Fellows to attend events of median 4 days in length (average: 6 days). Whereas the total number of funded conference days was slightly lower (9 percent) compared to last year, the cost per conference day was as much as 33 percent lower, demonstrating the greater travel economy (more Fellows per grant dollar) of regional events. Out of the 15 conferences funded in fiscal 2002, 11 had a significant regional focus: four conferences were concentrated on Latin America, two on East Asia, and one conference each was registered for Middle East/North Africa, Sub-Saharan Africa, and Eastern Europe. From an outcome point of view, regional conferences also tend to have the advantage of a more focused agenda and knowledge-sharing more attuned to participants' needs.

About one-third of Fellows were women, which is a significant improvement from last year (21 percent). Encouraging grant recipients to promote women as Fellows led to visible improvement in several cases, although female candidates are still scarce in most ICT-related areas.

As Figure 5 shows, the geographical distribution of Fellows was more even than in previous years. In particular, the increase of Asian Fellows (East Asia-Pacific and South Asia combined) should be noted: 34 percent compared to 13 percent in the previous year. Fellows from the Middle East and North Africa region are still underrepresented, which is partly due to the lack of proposals from that region.

FIGURE 5
infoDev CONFERENCE SCHOLARSHIP FUND:
 CONFERENCES IN FISCAL 2002



¹ Net funding is the grant amount less funds returned to infoDev due to the unforeseen inability of selected Fellows to attend the event.

TABLE 5
infoDev CONFERENCE SCHOLARSHIP FUND:
CONFERENCES IN FISCAL 2002

<i>Conference Title</i>	<i>Field</i>	<i>Dates and Location</i>	<i>Organizer/ Grant Recipient</i>	<i>Total Fellows (Women %)</i>
Medinfo 2001	Health informatics	September 2-5, 2001, London, United Kingdom	The British Computer Society's Health Informatics Committee	21 (38%)
Fourth Water Information Summit - Internet-Based Mechanisms and Partnerships to Build Virtual Capacity for Sustainable Water Resources Management	Internet, environment	October 25-31, 2001, Panama City, Panama	CATHALAC	15 (27%)
2001 International Conference on the Development of Agricultural Information Management, Technology and Markets in the 21st Century	Agriculture, Information Management	November 4-6, 2001, Beijing, China	China-EU Centre for Agricultural Technology	6 (17%)
Internet Rights and Civil Society in Latin America and the Caribbean	Internet Rights	November 19-22, 2001, Montevideo, Uruguay	Association for Progressive Communications	10 (50%)
E-commerce: Towards Harmonization of Policies and the Andean Regulation	E-commerce	November 21-22, 2001, Cochabamba, Bolivia	The Andean Community	12 (36%)
APRICOT 2002	Internet Technology	25 February-March 7, 2002, Bangkok, Thailand	National Electronics and Computer Technology Center (NECTEC) Ministry of Science Technology and Environment	22 (18%)
World Congress on Information Technology 2002 (WCIT 2002)	Information Technology	February 26-March 1, 2002, Adelaide, Australia	World Information Technology and Services Alliance (WITSA)	15 (7%)
ICANN Accra Meetings	Internet Management	March 10-14, 2002, Accra, Ghana	Internet Corporation for Assigned Names and Numbers (ICANN)	7 (14%)
ICT Appropriation in Latin America	ICT for Rural Development	March 17-24, 2002, Lima and Cajamarca, Peru	Intermediate Technology Development Group (ITDG)	11 (36%)
"Applying the e-Government Framework in Transitional Countries"	E-government	April 25-27, 2002, Cracow, Poland	NISPAcee (The Network of Institutes and Schools of Public Administration in Central and Eastern Europe)	9 (44%)
Horn of Africa Regional Conference on Women and Information and Communications Technology	ICT and gender	June 3-7, 2002, Nairobi, Kenya	The African Centre for Women, Information and Communications Technology (ACWICT)	14 (79%)
INFOSOC 2002 & GKP Asia Pacific Regional Network Meeting	ICT for poverty reduction	June 4-5, 2002, Kota Kinabalu, Malaysia	Global Knowledge Partnership Secretariat	7 (43%)
Annual Conference of the Society for Conservation GIS	Geographic Information Systems, Environment	July 5-7, 2002, Borrego Springs, USA	The Society for Conservation Geographic Information Systems (SCGIS)	5 (—)
Competition and Regulation in Infrastructure	Infrastructure Regulation	July 14-20, 2002, Bruges, Belgium	College of Europe	10 (30%)
Asia Pacific Forum on ICT for Rural Poverty Reduction	Rural ICT	July 19-31, 2002, Chiang Rai, Thailand	Asia-Pacific Telecommunications	23 (39%)

FLAGSHIP INITIATIVES

Flagship initiatives are strategic projects that complement the portfolio of demand-driven projects. With flagships, *infoDev* can encourage proposals from selected critical areas, tailor the review process to find proposals that meet objectives in a timely manner, and provide technical assistance to proponents. Flagship projects are intended to focus scarce resources in critical areas.

During fiscal 2002 *infoDev* managed a total of six flagship initiatives.

- Incubator Initiative
- African Connection
- Country Gateways
- ICT Infrastructure and e-Readiness Assessment
- Dialogue on the Regulation of the Networked Economy
- e-Government

The Incubator Initiative

With support from the Government of Japan, *infoDev* is launching an “Incubator Initiative”—a new flagship initiative aimed at fostering entrepreneurship and private sector development in developing countries. This initiative will be dedicated, over an initial three-year period, to the establishment of a network of incubators to facilitate the emergence and development of small- and medium-size ICT-enabled enterprises in developing countries.

Given the national objectives and priorities, and recognizing the varying levels of private sector development, the Incubator Initiative will take into account a comprehensive framework that will be adaptable to the specific needs and opportunities of different countries. Activities and deliverables will be designed as modular components of a global program. Under the Incubator Initiative, *infoDev* will work with governments, private enterprises, and investment banks, as well as with universities and research centers, in developing countries. Additional details on the Incubator Initiative, including the various activities planned can be found at www.infodev.org/incubator.

Designed initially as a three-year program, the initiative is aimed at promoting economic growth and competitiveness through the following objectives:

- Improving performance in existing incubators in developing countries, achieving higher “survival rates” of incubated companies, growth and sustainability.
- Promoting a synergetic approach focused on the needs of incubators in developing countries, based on improved knowledge, networking, and capacity building.
- Seizing new opportunities offered by the more advanced use of ICT within incubators.
- Fostering entrepreneurship and competitiveness in developing countries, supporting the analysis and testing of new incubator approaches, and disseminating best practices.

Structure and Activities of the Incubator Initiative

The *infoDev* Incubator Initiative focuses on three activities, each of which will be promoted through requests for proposals (RFPs) announced periodically over the duration of the program. The activities will be managed in accordance with Terms of Reference and grant/contract agreements that will reflect their objectives, targets, and expected outcomes. Guidelines, eligible proponents, and funding criteria will also be specified.

Activity 1: Creation of the infoDev Incubator Support Center (iDISC).

Responding to a specific need shared by most incubators in the developing world, the *infoDev* Incubator Initiative aims to create the first common repository of knowledge, best practices, experience, and services—specifically targeted to the needs of technology and business incubators in developing countries. Support Center (iDISC) efforts will include:

- Content creation (studies, collection of best practices, toolkits, and methodologies);
- Content dissemination (web delivery; seminars, and other ad hoc initiatives); and
- Service provision (training and online advisory services).

The RFP for this activity was announced on July 10, 2002. The iDISC is expected to begin operations by November 1st, 2002 and to work under *infoDev*'s overall guidance for 18 months.

Activity 2: Support to Existing Incubators in Developing Countries

Existing incubators will be invited to apply for grants aimed at improving their performance, sustainability and growth, in accordance with stated strategy and objectives. Eligible proponents in this activity are incubators, not-for-profit business development service centers, science parks, consortiums involving the above-mentioned types of organizations, and networks of incubators. Activity proponents and end beneficiaries must be based in developing countries (this requirement will not apply to project partners, provided that the World Bank rules on procurement for goods and services are followed.)

Activity 3: Technical Assistance and Support for New and Start-up Incubators

This activity targets countries or communities that cannot draw on adequate private sector development environments. Objectives are as follows:

- Helping assess the specific gaps hampering ICT private sector development;
- Providing specific technical assistance as identified and requested;
- Setting up strategies, assessing the developmental impact and success criteria, and conducting feasibility studies; and
- Supporting the planning and setting-up of new incubators in particularly challenging environments.

Grant proponents must demonstrate to be consistent and able to add value to the private sector development efforts being carried out in each country. Any organization, including government entities, municipalities, private groups, NGOs, or public-private consortiums, will be invited to submit proposals for technical assistance grants. Additional details on the process and the criteria will be provided at the time of the RFP for this activity, which is expected to begin in July/August 2003.

The African Connection Initiative

Rural ICT Toolkit

The purpose of the Rural ICT Toolkit is to prepare and help implement concrete programs and projects that will attract broad support within Africa for the rapid expansion and improvement of ICT in rural areas. The programs and projects will be based on the results of an initial evaluation of existing experiences within Africa and globally prepared on behalf of the African Connection (AC) with funding from the World Bank and the UK Department for International Development (DFID); it will be presented for consideration by African decision-makers, development partners and private sector. At the same time, the activity will be designed to support and enhance African and Africa-based capacity to carry out research, analysis and policy advice on these issues as well as plan, design, and implement national and cross-border programs and projects in ICT. In carrying out the activities, the AC Secretariat will work in close cooperation with ATU to ensure that recommendations made are read by as broad an African audience as possible. The project comprises a special focus on the least developed countries, as there the proportion of the non-urban population is highest. In addition, some attention will be given to special issues pertaining to smaller towns and peri-urban areas.

The project will be carried out in four stages.

Task 1: Identify and Document Rural Market Opportunities:

Based on the material assembled in the preliminary study, as well as experiences from new and innovative initiatives following the study, the team of consultants will prepare an outline of the toolkit, and will provide the basic framework and methodology for selecting rural ICT market opportunities.

Task 2: Design, Development and Promotion of Rural ICT Funds and Design of Pilot Project:

Building on the experiences of Latin American and African countries in providing financial incentives (smart subsidies) to encourage the deployment of rural ICT networks, the consultants will design a program for working with national governments and the private sector to promote and support the establishment of ICT funds for local projects and ICT application development in rural areas.

Task 3: Finalize a Rural ICT Toolkit for Africa:

Based on the analysis and experience gained in developing Tasks 1 and 2, the consultants will finalize the rural ICT toolkit, which will provide basic, recommended standards and steps for rural ICT project initiatives across Africa.

Task 4: Implement pilot project:

Once funding for the pilot project developed in Task 2 has been secured, the consultants will support the joint team in its implementation.

To date, Intelcon has been recruited as the consultants to assist AC for the implementation of the four tasks. Draft reports on “rural ICT market opportunities” have been provided for eight African countries.

Consensus Building

This project aims to develop processes that will (1) allow the AC to make the case for African ICT development in the international arena and (2) foster engagement and decisions among African ICT stakeholders. Most of the corresponding activities to be undertaken in creating these processes would also constitute outputs in the narrow enabling context of this proposal.

To date, this *infoDev* grant has enabled to organize events on the following topics:

New Partnership for Africa Development (NEPAD): e-Africa Commission. This involves the organization of dedicated workshops for policymakers and high-level technical officials on emerging ICT infrastructure, technology, regulatory, and policy options to assist in (1) the preparation of action plans for the creation of supranational cross-border policy and regulatory arrangements and (2) the implementation of smart subsidy schemes to promote competitive private-sector–managed ICT applications in productive and social services.

Sub-Regional organizations: Coordination of Activities. AC has taken a main role in the organization of sub-regional workshops for: (1) the COMESA, SADC, ECOWAS, EAC, CEMAC, and AMU regions to facilitate implementation of telecommunications and ICT policies and regulatory frameworks developed by these regional bodies; (2) the ECOWAS/WAEMU regions for the effective development of a regional telecommunications regulatory association; and (3) the promotion/marketing of sub-regional programs in the other regions—Central and North—to foster effective development of ICT regulatory associations learning from best practices. AC has already organized policy thematic seminars to raise awareness for member countries during these conferences in coordination with the organizers and the World Bank (for example, the ECOWAS Workshop on Interconnection).

Other areas supported by this project but not yet implemented by AC include the following: *First AC Signature Forum to Market ICT Opportunities in Africa.* On the basis of an action agenda to be prepared by the AC Secretariat, the AC will organize the first forum as a high-level platform of exchange, consultation, and engagement. These fora will be quite different from standard commercially oriented conferences. They are expected to develop into (1) the principal event for the announcement of major African policy and investment initiatives and (2) a platform for the incubation of private sector partnerships between African and international ICT companies.

Diffusion of Rural ICT Best Practice. AC will organize workshops to generate consensus on use of Rural ICT Toolkit and rural ICT Development Funds. Following the completion of the Rural ICT Toolkit and design of ICT development Funds, the AC’s Centre for Strategic Planning (ACCSP) will organize two workshops to promote the results and solicit comments on the development of pilot projects as further inputs to the final phase of the Rural Grant Program, which involves development of pilot projects.

Country Gateways

Overview

infoDev launched the Country Gateway Initiative in September 2000 in partnership with the Development Gateway program² and played an instrumental role for the inception of the program leading countries through a rigorous planning process for a sustainable Country Gateway model. Country Gateways are independently owned and operated public-private partnerships that facilitate the use of ICT for sustainable development at the country level. Country Gateways typically consist of a country-level portal and a range of online and offline initiatives. The portals contain resources on key development issues in a country, and assist in creating and sharing local and global development knowledge, solutions, and opportunities.

Country Gateways bring together representatives of the public and private sectors, civil society, and academia, building transparent and broad-based partnerships to pursue common goals for development. Currently, Country Gateways are at different stages of development: some are in the planning stage, while those who pioneered the program are moving into implementation.

Since September 2000, *infoDev* has provided a total of \$3.5 million to the Country Gateway Initiative. Similarly, by the end of fiscal 2002, *infoDev* had received a total of 104 proposals from 60 countries, and had approved 41 planning grants and 7 implementation grants.

TABLE 6
SUMMARY OF GRANT FUNDING FOR FISCAL 2001 AND 2002

	Planning Grants	Implementation Grants	Total Amount
FY01	\$2,000,000.00		\$2,000,000.00
FY02	\$700,000.00	\$800,000.00	\$1,500,000.00
Total			\$3,500,000.00

Planning and Implementation Grants

In FY02, *infoDev* offered both Planning and Implementation Grants. Through a Planning Grant, a Country Gateway team is expected to:

- Create a governance structure and establish partnerships;
- Determine local needs for different products and services;
- Develop a business plan addressing the issue of sustainability; and
- Build a prototype portal featuring local content.

From the funding available for FY02, *infoDev* committed \$700,000 for Planning Grants, with the maximum size of each grant set at \$100,000. As shown in Table 7, in fiscal 2002 *infoDev* launched two calls for proposals. The first one was in October 2001 and from the 12 proposals received, *infoDev* approved planning grants for the following five countries: Argentina, Peru, Guatemala, Bangladesh, and Vietnam. The second call for proposals was launched in January 2002 and was reserved for proposals from the Sub-Saharan Africa region. From the 18 proposals received, *infoDev* approved 3 Planning Grants for Mozambique, Tanzania, and Uganda. An additional grant was awarded to Morocco that was carried through from the previous round.

²The Development Gateway (www.developmentgateway.org) is an Internet portal for information on sustainable development and poverty reduction—offering a common space for dialogue and exchange of experience, knowledge, ideas, tools, and other resources.

TABLE 7
SUMMARY OF PLANNING GRANTS IN FISCAL 2002

Call for Proposals	# of Proposals Received	# of Proposals Awarded	Awarded Countries
Sept 01	12	5	Argentina, Peru, Guatemala Bangladesh, Vietnam
Jan 02	18	4	Morocco, Mozambique, Tanzania, Uganda

Implementation Grants provide seed funding to help start the implementation of a Country Gateway initiated through work carried out by a Planning Grant. At this phase, Country Gateways start offering the products and services outlined in their business plans.

In fiscal 2002, *infoDev* allocated \$800,000 for Implementation Grants, with the maximum size of each grant set at \$200,000. As indicated in Table 8, the first call for proposals was made in September 2001. From the 14 proposals received, *infoDev* awarded 7 Implementation Grants for the following countries: China, Kyrgyzstan, Namibia, Romania, Russia, Ukraine, and West Bank & Gaza Strip.

TABLE 8
SUMMARY OF IMPLEMENTATION GRANTS IN FISCAL 2002

Call for Proposals	# of Proposals Received	# of Proposals Awarded	Awarded Countries
Sept 01	14	7	China, Kyrgyzstan, Namibia Romania, Russia, Ukraine, West Bank & Gaza Strip

Lessons Learned

From July 2001 to the end of June 2002, the Country Gateway network expanded from 32 to 41 Country Gateways, 23 of which are moving into the implementation phase. Experience to date shows a rich diversity in approaches among the different country gateways. Some prioritize the provision of Internet access and services, while others focus on developing local content for the portal. A number of Country Gateways support economic and business development through the use of ICT, whereas others strengthen local development initiatives by civil society and low-income groups.

Despite the diversity of the network, the basic principle is the creation of a portal and the provision of services relevant to local needs. Content offerings and services of the portal may include a mixture of the following:

- Information tools for publishing local content;
- Communication tools such as email, discussion forums, and other interactive tools;
- Knowledge management for project databases, documents, etc.;
- Transaction platforms for the needs of businesses, civil society, and the population at large;
- Distance learning tools; and
- Hosting and providing application services (ASP) to organizations and individuals.

Many of the Country Gateways plan to offer a variety of products and services to generate income for their long-term sustainability. These services may range from Web design, programming, and consulting to establishing Internet access points, providing onsite training, and initiating ICT-for-development awareness campaigns.

Awareness-Raising Activities

To increase awareness of the potential of ICT in development efforts, two three-day workshops were conducted in Uganda and in Burkina Faso, with representatives from the local public and private sectors, academia, and non-governmental organizations, as well as participants from neighboring countries. During the workshops, participants discussed ways of sharing information and knowledge on local and national developmental issues and explored the potential role of ICT in facilitating intra- and inter-community interactions and networking to address local priorities.

Finally, it should be noted that during the *infoDev* Symposium on December 9–10, 2001, a special session was dedicated to the Country Gateway initiative. Speakers from four Country Gateway teams (China, El Salvador, Namibia, and Russia) presented their experiences in planning and building their gateways, discussed the challenges faced and the lessons learned, and explained the expected developmental impact of their work.

During the early stages of the program, seed funding for planning and implementing a Country Gateway was awarded by *infoDev*. In June 2002, the Development Gateway Foundation³ began awarding implementation grants under the scope of its Grants and Investments Program, and *infoDev* is expected to continue partnering with the Development Gateway to provide planning grants in fiscal 2003.

Table 9 lists the countries and coordinating organizations that are participating in the Development Gateway Initiative. Those marked with an asterisk (*) have completed the planning phase and are moving to the implementation phase.

ICT Infrastructure and e-Readiness Assessments

Under the ICT Infrastructure and e-Readiness Assessments Initiative, *infoDev* approved seven grants during fiscal 2002, bringing to 20 the number of country assessments approved. The Initiative provides grants for participatory analysis and assessment of a country's information infrastructure and e-readiness, with special emphasis on the policy, legal and regulatory environment, and on the availability of adequate human resources. Support from *infoDev* is often a key element to developing national e-strategies, allowing the recipient to take advantage of opportunities and address identified challenges. It allows countries to design their e-readiness strategy as a tool to pursue objectives in areas such as fighting poverty, reducing the digital divide, or contributing to a truly global information infrastructure. In the course of the year, four countries (Bulgaria, Costa Rica, Jamaica, and Philippines) completed their assessments. Results were shared with Bank country teams and are expected to provide inputs in the design of country programs.

³The Development Gateway Foundation is a not-for-profit organization based initially in Washington DC. Its core objective is to reduce poverty and support sustainable development through the use of ICT.

TABLE 9
COUNTRIES AND ORGANIZATIONS PARTICIPATING IN THE
DEVELOPMENT GATEWAY

<i>Country / Region</i>	<i>Organization</i>
Africa	
Mozambique	SISLOG (Sistemas e Technologies de Informacao e Comunicacao, Lda)
Namibia*	Namibia Development Gateway Association
Rwanda	National University of Rwanda
Tanzania	Economic and Social Research Foundation (ESRF)
Uganda	Makerere University
Europe and Central Asia	
Armenia*	e-Armenia Foundation
Azerbaijan*	State Students Admission Commission
Bulgaria*	Applied Research and Communications (ARC) Fund
Croatia*	Camdivision Studio
Georgia*	Georgia Development Gateway Union
Kazakhstan*	Kazakhstan Gateway Foundation for e-Development and Civil Society Support
Kyrgyz Republic*	e-Development Public Foundation
Moldova*	Moldova Digital Development Foundation
Poland*	EMCom, Ltd.
Romania*	eRomania Gateway Association
Russia*	Institute of the Information Society, Russia
Tajikistan*	Association of Communication Operators of Tajikistan
Ukraine*	Ukraine e-Development Association
Uzbekistan	Center for Economic Research
Latin American and Caribbean	
Argentina	Asociación CONCIENCIA
Colombia	Corporacion Invertir En Colombia (Coinvertir)
Costa Rica*	Fondo Socio Empresarial Foundation (FOSE)
Dominican Republic	Pontificia Universidad Católica Madre y Maestra
El Salvador*	Asociación Infocentros
Guatemala	Guatemalan Chamber of Commerce
Jamaica	Central Information Technology Office
Nicaragua	Cámara de Industrias de Nicaragua (CADIN)
Peru	Centro Peruano de Estudios Sociales (CEPES)
Venezuela*	CANTV
Uruguay*	Centro Internacional de Investigación e Información para la Paz (CIIP)
Middle East and North Africa	
Algeria	Didactica, Advanced School of Management and Information Technologies
Morocco	Morocco Trade and Development Services (MTDS)
West Bank & Gaza Strip*	Palestine Development Gateway Association
East Asia	
China*	China International Publishing Group (CIPG)
Indonesia	Agency for the Assessment and Application of Technology (BPPT)
Mongolia*	InfoCon Co., Ltd.
Vietnam	Vietnam Data Communication Company (VDC1)
South Asia	
Bangladesh	Grameen CyberNet Limited
India	Ministry of Information Technology
Pakistan	Sysnet Pakistan (Pvt.) Ltd
Sri Lanka*	Ceylon Chamber of Commerce

* Has completed the planning phase and is moving to the implementation phase.

Dialogue on Regulation of the Networked Economy

Begun in 1993, the World Regulatory Telecommunications Web Colloquium was hosted by the International Telecommunication Union (ITU) until 1998. Several organizations supported it, including the World Bank via *infoDev*. The colloquium involved annual meetings of professionals from both developed and developing countries, including regulatory authorities, experts, and academics, to discuss major telecommunication regulatory topics and the dissemination of best practices through the colloquium's website and its publications. In fiscal 2001 *infoDev* decided to support the launch of a new edition of the colloquium, the World Dialogue on Regulation (WDR) for Network Economies (www.regulateonline.org). Its objective is to support the global community of professionals involved in regulatory issues relating to telecommunications and, more generally, the development of the networked economy.

One of the WDR's primary objectives is to disseminate the reports produced by the research teams. Four discussion papers were posted at the time regulateonline.org was launched:

- Discussion Paper 0201, *Building the Regulatory Foundations for Growth in Network Economies*;
- Discussion paper 0202, *Some Implications for Regulation of ICT and Media Convergence*; and
- Discussion Paper 0203, *Multisector Utility Regulation*, and
- Discussion Paper 0204, *Rationales for Convergence and Multisector Regulation*.

e-Government

Among the many promises of the digital revolution is its potential to strengthen democracy and make governments more responsive to the needs of their citizens. *e-government* is the use of information and communications technologies (ICT) to transform government by making it more accessible, effective, and accountable.

A combined effort of *infoDev* and the Center for Democracy and Technology, the *e-Government Handbook* attempts for the first time to catalog and present key resources on e-government in a format useful for policymakers in the developing world. It offers a comprehensive index of e-government models and resources, focused on success stories in the developing world.

Whereas other reports and papers have outlined the philosophy, benefits, and general methodologies of e-government, the *Handbook* uses specific examples to show how it can be done, with a healthy respect for the realities and challenges that must be faced. It includes case studies, best practices and other online resources, and draws recommendations from them to illustrate and guide readers through the ideas and concepts of e-government. The print version offers illustrative case studies, while the companion online resource—available as a CD-ROM or online at www.cdt.org/egov/toolkit—contains a searchable index of useful websites and other resources.



KNOWLEDGE DISSEMINATION AND EXTERNAL ACTIVITIES

infoDev SYMPOSIUM

On December 5–6, 2001, 350 visitors gathered in the Auditorium of the IFC building for the Sixth Annual *infoDev* Symposium. The 2001 Symposium brought leaders from the academic, public, and private sectors, to discuss and challenge lessons learned from the use of ICT in narrowing economic and social inequalities. Videos from the Symposium are available on the *infoDev* website at www.infodev.org/symposium2001/agenda.htm

The opening session brought to an important lesson: information and communication technologies are the “key” to offer a new path for learning and development. Presenting keynote addresses were President James D. Wolfensohn; Professor Seymour Papert, mathematician and pioneer of Artificial Intelligence at the Massachusetts Institute of Technology’s Media Laboratory; Jose Maria Figueres from the World Economic Forum; and Nemat Talaat Shafik, Vice President of the Private Sector Development and Infrastructure. Mr. Mohsen Khalil, Director of the Global Information and Communication Technologies Department, moderated this session.

The debate was lively, provocative, and constructive, with different views on the true meaning of innovation. Professor Papert did not hesitate to define as “fundamentally flawed” the strategies international organizations are currently following to adapt learning to the increasingly digital knowledge environment. He also highlighted how attempts to close the digital divide are too often “like climbing a tree as a first step in the right direction to intergalactic travel.”

Assessing Country e-Readiness Session

Over the last three years, e-readiness tools have been developed to help determine how ready a society or economy is to benefit from ICT. Consequently, the first panel of the Symposium was dedicated to “Assessing Country e-Readiness.” Moderated by Thomas T. Niles, President, US Council for International Business, the discussion focused on the correct definition of an “e-ready” society, on the different approaches used to carry out assessments, and on the use of such assessments to the building of appropriate e-strategies. Speakers in this panel included Harris N. Miller, CEO of the Information Technology Association of America; Teresa Peters, Executive Director and Chairman of Bridges.org; and Ernest J. Wilson of the Center for International Development and Conflict Management at the University of Maryland. As Ms. Peters remarked, there are countries, like India, or Brazil, in which assessments have been made more than nine times. It is however important to highlight that these efforts are particularly important, provided that appropriate strategies, planning and resources are allocated afterwards to bridge the gaps identified. The support provided by *infoDev* in this scenario was broadly recognized during the panel.

Education and Distance Learning Session

A large range of experiences is now available in the field of distance education, as well as in the broader context of ICT for education and ICT training, from “high-tech” networks to low-tech local solutions. For the second panel, experts in this sector, especially those who have experimented e-learning techniques at the grassroots level, discussed how best practices could

be “identified, shared and possibly combined.” Speakers included the Honorable Diana Lady Dougan, Chairman of the Cyber Century Forum; Sam Carlson of WorldLinks; and Claudia Zea of the *infoDev*-supported Conexiones project in Colombia.

Country Gateways Session

A third panel discussed the challenges of building Country Gateways. Under the aegis of the Development Gateway, the World Bank Group, and a large array of other governmental and non-governmental players have attempted to respond to the need often expressed by donors and recipients of international development assistance for an easy way to access and disseminate the wealth of information available in this area. *infoDev* grants have helped several developing countries to build their own gateways. Sharing their experiences were Guoqing Li, Deputy Director of the China Internet Information Center; David Hill, Chairman of the Namibia Information Technology Association; and Tatiana Ershova, Director General of the Institute of the Information Society in Russia.

Public and Private Sector Synergies Session

As ICT have moved higher on the agenda of governmental aid agencies and NGOs, the world of telecom and IT enterprises has been shaken by more than one shockwave. The fourth panel focused on what public and private entities have learned in the process, and how they see their respective roles in efforts to bridge the Digital Divide.

The panel was opened by a presentation from John Gage, Chief Researcher at Sun Microsystems, Inc. The “Globe” is a new tool created by Sun Microsystems that allows the user to locate and view locations around the world in a manner similar to a video game. It could be defined as the “latest generation of a geographic information system.” The impressive level of definition and accuracy was based on high-definition images captured by satellites around the world.

During his presentation, Mr. Gage highlighted the role of the private sector—including the tools it can generate through its research efforts—to increase the accountability, transparency, and availability of information. Eduardo Da Costa of Harvard University; David Souter of the Commonwealth Telecommunications Council, United Kingdom; Guillermo Monroy of Guatemala MicroNet; and Loyola Joseph of the Foundation of Occupational Development, India, discussed the role of private-public partnerships from different perspectives, including the fostering of micro-enterprises, which are at the roots of socioeconomic growth in most developing economies.

infoDev’s Flagship Initiatives Session

The last panel of the Symposium was dedicated to *infoDev*’s Flagship initiatives, with discussions ranging from regulation to the role of incubators, and of open-source software, in fostering development in the South.

William H. Melody, Managing Director of LIRNE.NET and Chair of Economics of Infrastructures at Delft University of Technology (TU Delft), highlighted the important role played by sound “policy and regulatory environments” in bridging the infrastructure gap. He also presented the Regulatory Colloquium, an initiative supported by *infoDev* aimed at fostering knowledge and reform in regulatory environments affecting the development of the networked economy.

Tony Stanco, Senior Policy Analyst at the Cyberspace Policy Institute, presented the status of the open-source software development around the world and discussed the role open-source can play to foster competitiveness in an “immaterial” industry such as the software industry. Other cases discussed during the session included the PEOPLink e-commerce services, presented by Daniel Salcedo, Founder of PEOPLink; and the development of incubators in Brazil, presented by Guilherme Ary Plonski, CEO of IPT - Institute for Technological Research in the State of São Paulo, Brazil.

Bruno Lanvin, Program Manager of *infoDev*, made the final remarks in the closing session of the Symposium.

THE ICT STORIES COMPETITION

The ICT Stories Project has been an active partnership between *infoDev* and the International Institute for Communication and Development (IICD) in the Netherlands since 1998. In November 2001, a Memorandum of Understanding was signed between the two organizations to formalize the partnership.

The ICT Stories Project aims at sharing innovative examples of the use of ICT for development. To collect these stories, an annual competition has been held since 1999. An expert panel of judges from around the world selected the stories they believe will contribute most to the understanding of the impact that ICT can have on development, in hopes that the stories will inspire others and teach lessons for future endeavors. This year’s judges included Carlos Braga, Fernanda Cabanas, Layton Croft, Alfonso Molina, Aida Opoku-Mensah, and George Sadowsky.

The winners of the 2002 competition presented their stories and lessons learned to the attendees of the INET 2002 Internet summit in Washington, D.C., during a session moderated by Mr. George Sadowsky. They also presented the same session at the World Bank, moderated by Mr. Jac Stienen and open to the public.

This year’s winners are:

- “Connecting India Village by Village,” presented by Satyan Mishra of Drishtee, India;
- “Kabissa: Space for Change in Africa,” presented by Kim Lowery and Tobias Eigen of Kabissa.com;
- “Marrying Radio with Internet in Nepal,” presented by Gaurab Raj Updahaya of Sargarmatha Radio, Kathmandu, Nepal; and
- “Sole Comfort Dot-Com: Bridging the Global Income Gap Through Hard Work, Quality Sandals, and ICT,” presented by Becky Wachera and Matthew Meyer of Ecosandals.com, Korogocho, Kenya.

All stories submitted in this and previous competitions are available at www.iicd.org/stories.

infoDev WORKING PAPERS

As part of its series of Working Papers, the seminal *Telecommunication Regulations Handbook* published in English and French by *infoDev* in 2000 was translated into Arabic, Chinese, and Russian as a joint venture with other Bank units. Another major achievement was the co-publication with the World Economic Forum and Harvard University's Center for International Development of the first *Global Information Technology Report 2001–2002*. The report provides key indicators and ICT profiles for 75 countries in addition to essays on key topics. It highlights the prospects of growth in countries ready to take up new technologies, and also reveals the obstacles to Networked Readiness. The report is expected to serve as a guide to policymakers and regulators.

infoDev SEMINAR SERIES

During fiscal 2003, *infoDev* hosted 10 seminars to do with ICT for development. These are listed in Table 10.

TABLE 10
infoDev SEMINARS IN FISCAL 2002

<i>Name of Presenter</i>	<i>Name of Institution</i>	<i>Seminar Topic</i>
Dr. Wai-Keong Foong	ECQUARIA Ltd, Singapore	An Integrated Approach to Electronic Government - G2B2C
Casey Wolfe and Steven Rynecki	ECI Communications	Digital Development in the Post Dot-Com World
Ashok Jhunjhunwala	Indian Institute of Technology	Connecting Rural Areas of Developing Countries: A Case for India
Barbara L. Harley	International Business Incubator, Silicon Valley	The Business Incubation Industry: A Worldwide Tool for Economic Development
Sheri Dankeyv	International Research Development Centre (IDRC), Canada	Integrating Gender into ICT Projects: Reflections from IDRC's ICT for Development Program
Nidhi Tandon Dorienne Rowan-Campbell	Networked Intelligence (NID)	Women in <i>infoDev</i> Projects - Applying Gender Analysis to the ICT Context
Satyan Mishra	Drishtee, India	The ICT Stories Competition 2002 Winning Stories
Kim Lowery and Tobias Eigen	Kabissa	
Gaurab Raj Updahaya	Sagarmatha Radio, Nepal	
Becky Wachera and Matthew Meyer	Ecosandals.com	

THE GLOBAL INFORMATION TECHNOLOGY REPORT 2001–2002

During FY02 *infoDev* supported the publication of *The Global Information Technology Report 2001-2002: Readiness for the Networked World*. This publication is a product of the Global Digital Divide Initiative, a collaborative effort between members of a large community, including businesses, governments, and the civil society. The report—the most comprehensive documentation to date of how ICT are being used around the world—addresses the major opportunities and obstacles that global leaders face as they try to more fully participate in the networked world. Through the development of the first Networked Readiness Index, which ranks 75 countries according to their capacity to take advantage of ICT networks, a series of 75 in-depth Networked Readiness country profiles, and thematic chapters by some of the world’s leading experts on the Networked World, the report provides an ambitious, global picture of how ICT are being used and what opportunities and challenges remain.

GLOBAL KNOWLEDGE PARTNERSHIPS

In fiscal 2001, a \$100,000 *infoDev* grant supported the archiving system for the Global Knowledge for Development’s (GKD) distribution list. The GKD Virtual Forum is an email discussion group that shares knowledge about the use of ICT for sustainable development by individuals, NGOs, universities, companies, and government agencies around the world.

The project is almost completed. The major lesson learned is that GKD—as the longest running Internet discussion on the use of information technology for development—may offer an interesting story for the wider public (that is, people not directly involved in development, but interested in world affairs). As a result, the grantee organization, the Education Development Center (EDC), has decided to design and launch a communication campaign to promote GKD and the database. Although this was not part of the original proposal, the potential value of the communication campaign is significant; and EDC will engage its own resources.

infoDev also supported the Global Knowledge Partnership (GKP) through an iCSF grant of \$7,500 for the INFOSOC 2002 meeting in Malaysia.

THE DEVELOPMENT MARKETPLACE

For the third year, *infoDev* has been a sponsor of the Development Marketplace (www.developmentmarketplace.org), a World Bank program that promotes innovative development ideas through early-stage seed funding. The program links social entrepreneurs with poverty-fighting ideas to partners with the necessary resources. Since 1997, the Development Marketplace has awarded more than US\$14 million to over 180 groundbreaking projects. Through the Global Competition, *infoDev* has awarded \$50,000 grants to each of three projects; “e-Commerce for Farmers: Hands-On Training Program” in the Philippines, “Buy South Africa Online” in South Africa, and “Artisans at Work! (¡Maestros al Trabajo!)” in Venezuela.



GOVERNANCE



DONORS' COMMITTEE

The 2001 Annual Meeting of the *infoDev* Donors' Committee took place on December 4–5, 2001 in Washington, D.C. (see Annex 2). Ms. Mamphele Ramphele, Managing Director of the World Bank Group, addressed the donors as a keynote speaker. Ms. Nemat Shafik, World Bank Vice President for Private Sector Development and Infrastructure, opened the meeting, which was chaired by Mr. Mohsen Khalil, Director of the Global Information and Communication Technologies Department.

The main purpose of the meeting was to discuss a new strategy proposed by the management of *infoDev*. It was observed that the draft strategy, as well as the report from the *infoDev* Technical Advisory Panel (TAP) and other background documents, were received too late for donors to conduct a thorough review of these documents. A revised strategy was circulated and adopted in early 2002.

Japan pledged \$8 million during the present fiscal year in support of the Incubator Initiatives. Most donors present confirmed their support to *infoDev* at a level at least equivalent to the support provided during the previous fiscal years. (See Annex 2.)

NEW STRATEGY

The new program strategy stresses a number of aspects of the program that donors deemed of particular importance:

- *infoDev*'s focus on poverty alleviation, in particular through the implementation of Internationally Agreed Development Goals (IDGs) resulting from the Millennium Summit of 2000;
- *infoDev*'s comparative advantage among other "Digital Divide" initiatives, and possible synergies with such initiatives;
- *infoDev*'s ability to enhance its visibility and to better disseminate its own experience and knowledge;
- *infoDev*'s capacity to address specific dimensions of poverty alleviation through specific actions and approaches in areas such as health, education, gender, and culture-related sectors;
- *infoDev*'s readiness to attract more participation from the private sector; and
- *infoDev*'s capability to channel resources and attention towards "new areas" likely to be of particular importance to developing countries in the near future. These include international trade "post-Doha," intellectual property (including open-source), and the legal dimensions of cyberspace generally.

EXTERNAL REVIEW

As agreed at the fiscal 2001 Donors' Committee Meeting, a second external review of *infoDev* was conducted. (The first was conducted in fiscal 1999.) The review, led by Dr. Eduardo da Costa (Brazil), included Professor Ernest Wilson III (United States) and Dr. Barbara Fillip (France). The external review team interviewed a wide range of people connected with the

program, including grantees, *infoDev* staff and managers, officers and managers in the World Bank, external donors, and TAP members, as well as various individuals and associations active in ICT for development.

The bottom-line message of the report is unambiguous: *infoDev* must focus on its knowledge activities in order to capitalize on its initial success and stay ahead of the growing pack of ICT-for-development programs. Knowledge activities are the gathering, analysis, organization, promotion, and dissemination of *information* for *development*, the program's very name. *infoDev* must create new knowledge about the successes and failures of the projects it supports and also about other similar initiatives, and have the capacity to diffuse that new knowledge promptly to its development partners in the South and to its donor community in the North, including the World Bank itself. Knowledge about ICT for development should now become *infoDev*'s core competence.

TECHNICAL ADVISORY PANEL

The six members of the Technical Advisory Panel (TAP) selected for a three-year term in fiscal 1999 completed their third year in fiscal 2002. The TAP comprises the following members:

- Ms. Fernanda Cabanas (Mozambique), Information Management Specialist, Ministry of Agriculture and Fisheries
- Dr. K. J. John (Malaysia), Vice President for IT Policy Development, Mimos Bernhard Technology Park
- Dr. Nii Quaynor (Ghana) Executive Director, Network Computer Systems
- Dr. Silvio Romero de Lemos Meira (Brazil), President, Centro de Estudos e Sistemas Avancados do Recife (CESAR)
- Mr. Philippe-Olivier Rousseau (France), Executive Vice President, Banexi
- Dr. George Sadowsky (United States), Executive Director, Global Internet Policy Initiative

Dr. George Sadowsky continued to serve as TAP coordinator.

The mandate of the TAP is to advise the Donors' Committee and the Program Manager on making strategic recommendations to strengthen *infoDev*'s program; to assess advances in information and communications technologies relevant to developing countries; to identify new and more efficient paths to reach the objectives of *infoDev*, notably through special initiatives or flagship projects; and—at the request of the Donors Committee—to evaluate the impact of *infoDev*'s work through post-evaluation of activities selected after consultation with the Program Manager.

A four-day TAP meeting was held in Washington, D.C. in August 2001. During the first two days of the meeting, *infoDev* organized a series of presentations to elucidate the different aspects of *infoDev* program:

- *infoDev* management provided a review of the priority objectives of the program, and presented the status of the work program as well as other ongoing and proposed activities;

- Mohsen Khalil, Director of World Bank's Global Information and Communication Technologies (GICT) Department, described the activities of his department and emphasized the need to further explore synergies between *infoDev*, IFC, and the World Bank; and
- Robert Valantin, Head of the Country Gateways Program at the Development Gateway, reviewed the Country Gateway grants and illustrated their impact with success stories.

In the last day of their annual meeting, the TAP members completed the outline of their report to the Donors' Committee, and had the opportunity to have in-depth discussions with *infoDev*'s Program Manager, Bruno Lanvin, regarding *infoDev*'s strategy for the next three years.

The TAP report was finalized through subsequent exchanges between TAP members and presented by Dr. Sadowsky at the annual Donors' Committee meeting in Washington, D.C., in December 2001.

The TAP annual report stated that there are increasingly more programs with similar goals as *infoDev*, and therefore stressed that it would be important for *infoDev* to reassess its position in the community of organizations active in the application of ICT for development. In this framework, the report also suggested that further IFC–World Bank synergies must be sought in order for *infoDev* to benefit from the considerable enthusiasm for and investment in ICT applications across IFC.

The TAP report further recommended that *infoDev*, rather than focusing primarily on poverty, should pay an equal level of attention to wealth creation, emphasizing upon empowering the private sector, and assisting the growth of new ideas. Furthermore, the report stressed that *infoDev* should focus on initiatives that are scalable and that would be sustainable over time.

In terms of the technological environment in which *infoDev* operates, the TAP report emphasized that focus should not necessarily be on the latest technologies but on the developments that could help to fulfill *infoDev*'s mission of creating equal digital development opportunities all over the world. To achieve that, the report explained that *infoDev* should continue to be creative, efficient, and innovative.

On the basis of *infoDev*'s success in executing the Y2K Project, the TAP report suggested that *infoDev* consider undertaking the following new initiatives:

- *A Network Security Initiative* to raise awareness on cyber terrorism and to help those developing countries that are less prepared to deal with security issues;
- *A Global Internet Pricing Initiative* to identify the components of costs of developing country operators and its relation to in-country pricing and to foster affordable information services in developing countries; and
- *An Open Source Software Initiative* for ICT-based development, which would help to raise awareness in developing countries of the benefits of adopting open-source.

In addition to its formal plenary meeting, four TAP members met in Washington, D.C., in December 2001 on the occasion of the *infoDev* Symposium and the annual Donors' Committee meeting, and participated as speakers and discussants in the *infoDev* Symposium.

During fiscal 2002, the TAP received monthly updates on *infoDev* activities and held five teleconferences. The program manager and other *infoDev* staff participated in these teleconferences, providing updates on *infoDev* activities such as the flagships, dissemination and monitoring efforts, the interface between public and private sector institutions, and donor funding.

infoDev Secretariat

Bruno Lanvin, *Program Manager*
Ellie Alavi, *Research Assistant*
Samiha Boulos, *Program Assistant (Y2K/Special Initiatives)*
Henri Bretaudeau, *Donor Relations Administrator (part-time)*
Louise Chamberlain, *Monitoring and Evaluation Specialist*
Vivek Chaudhry, *Work Program Administrator*
John Daly, *Acting Work Program Administrator (until August 2001)*
Jacqueline Dubow, *Program Coordinator*
Riva Eskinazi, *Research Analyst (part-time, until June 30, 2002)*
Rafael Hernandez-Rios, *Information Management Specialist*
Teri Nachazel, *Program Assistant*
Allen Olson, *Team Assistant (until May 1, 2002)*
Elena Scaramuzzi, *Telecommunications Specialist (until June 30, 2002)*
Shi, Heini, *Program Officer (as of January 28, 2002)*
Pamela Street, *Research Analyst*
Leo Tayamen, *Budget Administrative Assistant*
Rajesh Vasudevan, *Research Assistant (as of August 20, 2001)*
Erich Vogt, *Mass Media Advisor*





5

FINANCES

infoDevs' financial situation at the end of fiscal 2002 provided a solid base for the strategic changes decided during the year. After six years of operation, *infoDev* had mobilized cumulative contributions totaling \$78.85 million (including \$7.64 million in fiscal 2002), and negotiations for a new substantial contribution from Japan to fund an Incubator Initiative were substantially completed.

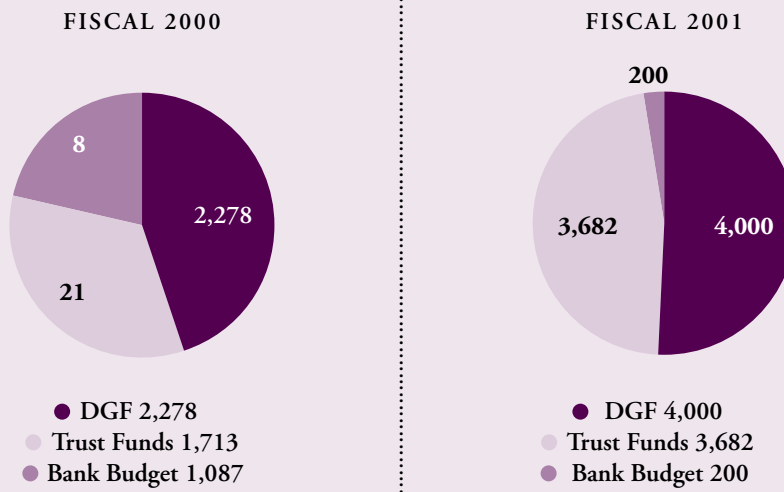
Contributions to the core program slightly decreased by \$243,000 during the fiscal year. However, disbursements on projects and knowledge dissemination activities increased by some \$242,000 during the same period while overall administrative costs (governance, program management, and project evaluation) fell by \$46,000. At the end of the fiscal year, the cash position in trust funds and resources from the Development Grant Facility (DGF) of the World Bank amounted to \$5.92 million, compared to commitments to fund ongoing activities totaling \$4.10 million. The balance of \$1.81 million was sufficient to fund newly approved activities during the last fiscal year. The implementation of these new projects was expected to start early in fiscal 2003.

CONTRIBUTIONS

Contributions paid in during the fiscal year totaled \$7.64 million, compared with \$7.88 million in fiscal 2001. They included a \$4 million contribution from the DGF in addition to \$759,000 from the World Bank's administrative budget. The Government of Japan (Ministry of Foreign Affairs) contributed for the first time during the year: a \$500,000 transfer through UNDP in support of the G8 Digital Opportunity Task force. A contribution of Japan of \$6.5 million for a new Incubator Initiative was also negotiated during the year. This contribution was to be finalized early in fiscal year 2003. In addition to the Government of Japan and the World Bank, eight other donors made contributions during the year. As part of the \$7.64 million contributed by donors in fiscal 2002, investment income from assets in *infoDev's* multi-donor trust fund as well as from the trust funds of Finland and France were made available to *infoDev* for a total of \$168,000. Italy increased its contribution to some \$1 million, Sweden provided funding to cover the secondment of one staff to the *infoDev* team, and Telecom Italia continued to provide in-kind contribution to *infoDev* by making available to the program one of its telecommunications specialists.

Figure 6 summarizes the contributions to *infoDev*, by category of funding, during fiscal years 2000 to 2002. It shows that over the last two years, the World Bank has provided well over 50 percent of *infoDev's* new resources. This trend is unlikely to continue and is expected to change significantly in fiscal year 2003, with a reduction of the DGF contribution to \$3 million and an increase in contributions from donors through trust funds. Table 11 lists contributions by individual donors since the inception of the program. The \$78.85 million made available to *infoDev* includes (a) the cost-recovery fees retained by the World Bank to manage the trust funds and (b) incomes from investments and reinvestments of trust funds balances when donors have allowed such investments and reinvestments to accrue to *infoDev* trust funds. Except for the multi-donor trust fund, incomes from investments of assets in trust funds are counted in Table 12 as part of individual donor contributions.

FIGURE 6
 CONTRIBUTIONS TO *infoDev* IN FISCAL 2000–2002,
 BY CATEGORY OF FUNDING (000 USD)



FISCAL 2002

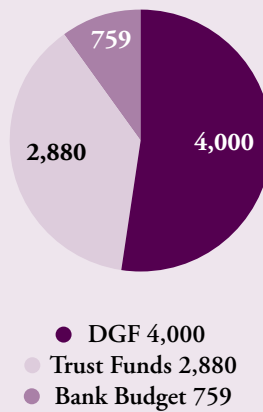


TABLE 11
infoDev DONOR CONTRIBUTIONS, BY FISCAL YEAR (000 USD)

<i>Country</i>	<i>FY1996-98</i>	<i>FY1999</i>	<i>FY2000</i>	<i>FY2001</i>	<i>FY2002</i>	<i>Total</i>
Australia, Y2K (in-kind)	–	–	107.00	–	–	107.00
Belgium	511.00	–	–	–	–	511.00
Brazil	150.00	100.00	–	–	–	250.00
Canada	–	250.00	245.00	244.00	254.00	993.00
Canada, Y2K	–	742.00	406.00	–	–	1,148.00
Cisco	–	–	–	50.00	–	50.00
Cisco (in-kind)	–	–	–	141.00	–	141.00
Colombia	122.00	118.00	–	–	–	240.00
Denmark	500.00	–	–	125.00	122.00	747.00
El Salvador	–	100.00	–	–	–	100.00
European Union (in-kind)	–	80.00	–	–	–	80.00
Finland	721.71	32.19	114.97	117.57	17.34	1,003.78
France	465.84	19.88	19.98	8.76	5.40	519.86
France (in-kind)	153.00	57.00	77.00	–	–	287.00
France, Y2K	–	–	330.00	–	–	330.00
Germany	114.00	121.00	38.00	22.00	208.00	503.00
Germany (in-kind)	–	–	–	171.00	–	171.00
IBM	375.00	–	–	–	–	375.00
Ireland	–	–	–	171.00	–	171.00
Italy	441.00	–	250.00	465.00	922.00	2,078.00
Italy, Y2K	–	–	295.00	–	–	295.00
Japan	–	–	–	–	500.00	500.00
Luxembourg	200.00	–	–	–	–	200.00
Motorola	200.00	–	–	–	–	200.00
Motorola (in-kind)	–	–	–	135.00	–	135.00
The Netherlands	500.00	164.00	–	500.00	–	1,164.00
The Netherlands, Y2K	–	–	5,423.00	–	–	5,423.00
Sweden	427.00	378.00	351.00	422.00	217.00	1,795.00
Sweden, Y2K	–	1,230.00	–	–	–	1,230.00
Sweden (in-kind)	–	–	–	197.00	62.00	259.00
Switzerland	1,489.00	226.00	–	250.00	100.00	2,065.00
Switzerland, Y2K	–	–	1,024.00	–	–	1,024.00
Telecom Italia	250.00	150.00	–	–	–	400.00
Telecom Italia (in-kind)	–	100.00	100.00	100.00	100.00	400.00
United Kingdom	200.00	89.00	370.00	395.00	227.00	1,281.00
United Kingdom, Y2K	8,516.00	6,336.00	1,616.00	–	–	16,468.00
United States, Y2K	–	12,000.00	–	–	–	12,000.00
Investment income from multi-donor core fund	185.41	102.72	147.75	168.15	145.62	749.65
World Bank (Budget)	2,697.00	1,020.00	1,087.00	200.00	759.00	5,763.00
World Bank, Y2K	200.00	509.00	381.00	–	–	1,090.00
World Bank DGF	3,000.00	3,325.00	2,278.00	4,000.00	4,000.00	16,603.00
Total	21,417.96	27,249.79	14,660.70	7,882.48	7,639.36	78,850.29
Total Y2K	8,716.00	20,817.00	9,582.00			39,115.00

Unrestricted contributions include so-called “core” contributions from public and private donors through trust funds with the World Bank. Such core trust funds can be used to fund any activity supported by *infoDev*. Contributions from the World Bank DGF, which are funded by the net income of the International Bank for Reconstruction and Development (IBRD), can be used to fund *infoDev* activities. A limited amount is earmarked to cover part of *infoDev* management and administrative costs. Resources from the World Bank budget are used solely to cover administrative costs.

Donors earmark restricted contributions in advance. These contributions must be used in support of specific themes, activities, or regions. They are administered through different trust funds arrangement with the World Bank. In-kind contributions include staff secondments from donors.

EXPENSES

Total disbursements reached \$7.12 million in fiscal 2002, as compared to \$7.22 million in fiscal 2002 (excluding disbursements under the Y2K Initiative). Direct disbursements on projects and knowledge dissemination activities under the *infoDev* main program increased by some 4.2 percent, from \$5.66 million in fiscal 2002 to \$5.90 million in fiscal 2001, the reduction in overall disbursement resulting from lower governance and administrative expenses and from lower expenses on special projects (such as the DOT force).

TABLE 12
infoDev EXPENSES FOR FISCAL 1996–2002 (000 USD)

Category	Cumulative 1996–98	1999	2000	2001	2002
Project funding	5,646	4,501	3,696	5,161	5,267
Project evaluation	286	211	118	179	195
Governance					
of which Donors’	50	10	52	78	88
Committee	84	34	99	66	54
of which TAP					
Program administration	1,383	711	642	767	706
Knowledge dissemination	162	109	303	495	631
Special projects	415	200	207	476	179
Total	8,026	5,776	5,117	7,222	7,120

Note: Does not include expenses related to the Y2K initiative, which closed in 2001.

The cost of administering the program remained in line with that recorded during the previous fiscal year. Including direct management costs, supervision, monitoring coordination, and financial administration, it amounted to \$706,000, which represented 9.9 percent of total disbursement. Total administrative costs (including the costs of governance and project evaluation) amounted to \$1.04 million, or 14.6 percent of total outlays. The costs of knowledge

dissemination, including the *infoDev* Symposium, increased by over 27 percent, in line with *infoDev*'s new strategy. The costs of special projects—such as the support some donors provided through *infoDev* to the DOT Force Secretariat —were accounted for separately.

CASH POSITION

As of June 30, 2000, cash resources in trust fund accounts controlled by *infoDev* totaled \$6.05 million, of which \$5.30 million was in core funds and \$0.75 million in restricted funds. Table 13 lists *infoDev* trust funds by donor at the end of the fiscal year.

TABLE 13.
TRUST FUND BALANCE AS OF JUNE 30, 2002, BY DONOR

<i>Donor</i>	<i>TF #</i>	<i>Balance(\$)</i>	<i>Pending Commitments (\$)</i>	<i>Available (\$)</i>
Belgium	TF024574	252,884	200,000	52,884
Canada	TF021844	743,690	506,833	236,857
Denmark	TF024698	234,956	129,766	105,190
Denmark (Initial Trust Fund)	TF024576	51,299	30,000	21,299
Finland	TF024573	227,186	120,000	107,186
France	TF024571	41,535	0	41,535
Japan	TF050565	0	0	0
Netherlands (Initial Trust Fund)	TF024575	26,143	26,000	143
Netherlands	TF024044	194,800	194,710	90
Multi-donors	TF024570	2,138,351	1,171,252	967,098
Sweden	TF023173	794,275	573,485	220,790
Sweden (secondment)	TF024118	100,140	100,140	0
Sweden (Initial Trust Fund)	TF024577	106,287	86,000	20,287
UK	TF024572	580,214	534,233	45,981
Total		5,491,759	3,672,419	1,819,340

From the \$5.91 million available in cash in trust funds, \$3.67 million was committed to projects and expected to be disbursed shortly, of which \$0.55 million was in restricted funds and \$3.12 million in unrestricted funds. An additional \$0.43 million was committed but remained undisbursed from the DGF resources. All resources available from trust funds at the end of the fiscal year (totaling \$1.82 million) were expected to be committed shortly after the start of the following fiscal year to projects selected under the evaluation process.