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**SUMMARY RECORD
OECD-DAC/SDC BILATERAL DONOR AGENCIES MEETING**

Knowledge and People-Centred Communication: Potentials and Pitfalls for Poverty Reduction and Advancements of MDGs

Geneva, Switzerland, 1 September 2004

This summary record summarises the discussions of the OECD-DAC / SDC Bilateral Donor Agencies Meeting held in Geneva, Switzerland on 1 September 2004 [DCD(2004)7]. It is distributed for INFORMATION.

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SUMMARY RECORD

Background and Objectives

1. This event organised by the OECD Development Assistance Committee (OECD-DAC) and the Swiss Agency for Development and Cooperation (SDC) provided a special opportunity to discuss latest trends, perspectives and pitfalls of using Information and Communication Technologies (ICTs) in development and poverty reduction. The unique feature of this event was the exclusive focus on the development and poverty dimension.
2. The meeting was co-chaired by **Mr. Walter Fust**, Director-General, SDC and **Mr. Richard Manning**, DAC Chair.

Opening and Welcome

3. **Mr. Walter Fust**, welcomed the 64 participants, representing 20 countries (18 DAC Members), 8 international agencies, representatives of NGOs, the private sector and other organisations. He began by observing that the ICT agenda has evolved substantially, and asking whether the ICT agenda is a priority for development co-operation. He stressed the need to systematically integrate ICTs as a tool into development for poverty reduction. He called for discussion among bilateral donor agencies on how to set the agenda for integrating ICTs into partner country poverty reduction strategies. He noted that scaling up of successful pilot projects was becoming more and more important. To go beyond the “forever pilot syndrome” successfully, building on the experience and lessons from small “pilot” projects is required. He also noted that the importance to continue to create new types of partnerships combining the particular competences of stakeholders.

Keynotes

“Enhancing Access to Knowledge and Information through ICTs in National Development Efforts. Lessons, Perspectives for Action and Roles of the Stakeholders”

4. **Ms. Lidia Brito**, Minister of Higher Education, Science and Technology, Mozambique, began by pointing out that Mozambique has two pillars of its development strategy, “Fight against poverty” and “People-centred approach to development”. Due to resources constraints, the country has to invest strategically.

5. Remarking that ICTs are not an end in themselves but a tool “for” development, Ms. Brito insisted on the importance of traditional means such as radio and TV, and that Internet is only a part. ICTs are also valued as bottom-up instrument in the political process of development.

6. To break the poverty cycle, Mozambique focuses on the following points: 1) ICTs as a tool for participation; 2) Capacity building; 3) Better target partners/groups; 4) Expertise of highest quality; 5) Champions.

7. Mozambique puts emphasis on an “integrated approach” in the development effort rather than isolated/independent one. The role of the government is changing to guarantee the harmony and/or integration of various policies.

8. Ms. Brito pointed out five areas where bilateral donor agencies are expected to play a key role in ICT-enhanced development of LDCs like Mozambique. They are 1) Support for the integrated approach; 2) Capacity Building; 3) Increased financial support for scale-up; 4) More involvement in multistakeholder partnerships for development; and 5) Support frameworks for fair trade in knowledge and commodities.

“Empowering the Poor through ICT Enhanced Grassroot Communication. Vision and Concrete Lessons from the Self Employed Women's Association (SEWA), India”

9. **Ms. Namrata Bali**, Secretary General, SEWA, India, began by providing the overview of the SEWA, a membership organisation composed of self-employed women (about 700,000) in the state of Gujarat, India. The state is prone to natural disasters such as cyclones and various communication tools have been beneficial to the interests of the poor. She explained how ICTs play a key role in enhancing the communication among the SEWA members, linking e.g. small entrepreneurs, saving time and costs, and increasing opportunities for poor women in remote areas. She also described how ICTs facilitated not only access to critical market information but also enhanced a local alternative to the top down communication approach, connecting effectively even illiterate women. SEWA Co-operative Bank provides necessary financing for members to buy fixed/mobile phone equipment. In order to cover the ever-increasing members, SEWA reaches out to its members through video clips and satellite communication system. At SEWA, visual communication is more effective than textual.

10. Ms. Bali pointed out that although ICTs are useful tools, they are still expensive and furthermore they need to be upgraded frequently. Lack of technicians in rural areas is a challenge. There is a complementarity between ICTs and other infrastructure services such as transportation (roads, bridges, etc) and energy (electricity), which results in a synergy effect for the poor.

11. SEWA recognises three challenges in terms of ICTs for development which need to be addressed simultaneously: accessibility, affordability and capacity building. She also reminded us of impact and measurable results. Ms. Bali concluded her presentation in saying: “Even poor women, they pay for good services”.

Brief Presentation on “Poverty-focussed ICT for Development: The Main Dimensions of ICT4D in Relation to Poverty Reduction and MDGs”

12. **Mr. Gerolf Weigel**, Head of ICT4D, SDC, pointed out the “asymmetric architecture of opportunities”. ICTs are already part of the competitive context reality of disadvantaged people, regions and countries. Whereas those with a better education and more resources benefit from ICTs, the poor do not automatically benefit from tools such as the internet. He pointed out that the key success factors of poverty reduction such as local ownership, among others, depend strongly on effective communication and relevant knowledge. The “whole range” of new and traditional ICTs provides powerful tools to enhance both people-centred communication and access to knowledge.

13. He also pointed out that the relevance of ICTs for poverty reduction and development depends on the approach taken. ICTs are not a "magic bullet" for poverty reduction. Only if ICTs are "well integrated tools in broader, locally owned poverty reduction efforts", can they substantially contribute to poverty reduction. The enabling effect of ICTs includes three key dimensions: *access* to relevant information and knowledge; enhanced *voice* of people in processes that have an impact on their livelihood; and unprecedented opportunities for *networking* and communication for better co-operation and alliances.

Panel 1 – "ICT4D - Knowledge and People-centred Communication: Potentials and Pitfalls for Poverty Reduction and Advancement of MDGs"

14. **Ms. Astrid Dufborg**, Ambassador, Special ICT Advisor, Sida / Swedish Mission to the UN, Geneva, began by show-casing Sida's current effort in linking universities through ICTs, and emphasised three priorities for action: 1) More resources for infrastructure and education; 2) Develop relevant and affordable hard- and software; 3) Work together with others -- donors, stakeholders and across sectoral and societal borders.

15. **Ms. Anriette Esterhuysen**, Executive Director, Association for Progressive Communication (APC), provided a civil society perspective that ICTs can catalyse change at various levels including perpetual poverty and injustice. ICTs are effective and efficient tools for empowerment, locally-driven innovations and entrepreneurship.

16. **Mr. Abdul Waheed Khan**, Assistant Director-General for Communication and Information, UNESCO, described the importance of information and communication in education and their relevance for the poor based on his experience. Although ICTs are a means to participatory approaches, he identified among others, enabling regulations as a critical challenge. UNESCO learned that isolated ICT projects do not work, and that given their relevance in the development context, the shift is needed from hardware/technology-driven assistance to software/content-driven. UNESCO's evaluation of pilot ICT projects shows that over-dependency on external resources raises issues of sustainability.

17. **Mr. Thor A. Halvorsen**, Executive Vice President, Telenor Mobile AG, and Member of the Board of Directors, GrameenPhone Ltd., described the private sector/foreign direct investor perspective in drawing attention to the wireless revolution in Bangladesh. He pointed out that communication is part of basic human needs, that the wireless technology can provide infrastructure where the fixed network is weak, and that its cost can be drastically reduced as the subscriber base grows. In order for the private sector to take business risks and opportunities in developing countries, regulation and competition must be guaranteed. Mr. Halvorson shared his finding that simple things such as mobile phones work better than sophisticated systems.

18. A number of related issues emerged in the discussion:

- Market creation through partnership with the private sector is the key to a successful ICT intervention for poverty reduction. ICTs are a profitable area making business involvement possible, unlike other sectors such as education and health. Thus the involvement of the private sector is critical. It provides jobs too. However, it is vital to be clear about what the private sector brings to the table. Donors should, where possible, seek partnership with the private sector, local and global. Also, donors are expected to provide risk funding in the initial stage of a project, which the private sector has difficulty to do. Donors should provide more risk capital in co-operation with social entrepreneurs.

- The role of government, and the public sector at large including donors, is changing. The government is expected to take the responsibility of leadership and facilitation in the overall process of projects.
- From the partner country viewpoint, there were too many conflicting agendas regarding ICTs for development among donors, which create a bottleneck. Donors need coordination and collaboration among each other not only at their headquarters but also at the field level. Donors should respect the ownership of the partner country.
- The focus and vocabulary of the ICTs for development debate has changed significantly over two years, to include words like empowerment, local content and poverty reduction. Viewing the ICTs as an enabler for development, donors should change the way they formulate, implement and evaluate their projects.
- ICTs for development can profit from (multi-stakeholder) partnerships. These partnerships should be built into a programme or project from the outset. Special attention is necessary to ensure the voices of the poor are heard.
- From a private sector perspective, any commitment to ICT for development depends on an enabling environment. In this respect, the existence of an independent regulator and good legislation for the telecommunications sector are key.

Donors Working Lunch

19. Representatives of donor agencies shared their experience based on their information notes which covered their focus, priorities, perspectives, ideas and views.

Panel 2: "Multi-stakeholder Partnerships in Action, moving beyond the "Forever Pilot Syndrome" at the Regional Level"

20. **Ms. Rinalia Abdul Rahim**, Executive Director, Global Knowledge Partnership (GKP) briefed, as a pioneer, the concept and approaches of multi-stakeholder partnerships and outlined critical elements. These included focus on the outcomes, leadership and facilitation, trust, degree of fit among partners and organisational culture.

21. **Ms. Clotilde Fonseca**, Executive Director, Omar Dengo Foundation, Costa Rica, presented the lessons learned from her Foundation's activities and shared its priorities for action. She emphasised the importance of risk-taking and innovation, investment or empowerment of the young, use of knowledge in decision-making and priorities.

22. **Mr. Wiyananda Jayaweera**, Director, CMC Initiative Mali, Mozambique, Senegal, UNESCO, described the Community Multimedia Centre (CMC) initiative. It is a scale-up project in three countries with various stakeholders. It is based on a replicable, generic prototype which was created through UNESCO-assisted pilot projects. It focuses on national ownership and sustainability. He pointed out the difficulty of scale-up efforts without roadmaps and as ICTs are not at the core of the development agenda. He raised the issue on the role of bilateral donors in scale-up initiatives.

23. **Mr. Richard Nyaulawa**, Managing Director, Business Care Services, Tanzania, provided a perspective from a local private sector in Africa on potentials and challenges of multi-stakeholder partnerships in ICTs for poverty reduction. The government and donors are interested in poverty reduction and not the public in general. However, their investment policies have not provided necessary

infrastructure to the rural areas where most of poor people live. Investment priorities need to be re-considered. He emphasised the importance of shared responsibility, trust and awareness in partnership, and raised the question how best donors can make partnership with the private sector, local or global.

24. **Mr. Gerolf Weigel**, SDC, presented a view from a donor agency on the multi-stakeholder approach and scale up efforts. He proposed that national Poverty Reduction Strategies or PRSPs should be the focal point for stakeholders, that donors should move forward with integration of ICTs into development programmes and organisations. He stressed the importance of integrated action research that feeds the lessons learnt directly into the programme steering. He agrees with voices from developing countries that the lack of comprehensive scientific research results must not be a justification to refrain from early integration of ICTs into development co-operation.

25. A number of related issues emerged in the discussion:

- In relation to financing scale-up initiatives and the current work of the UN Millennium Project, the Monterrey Consensus was mentioned as targeting global scaling up of ODA. Although the consensus is ambitious, there is evidence that DAC members are increasing their ODA volume in response.
- There was a disparity of views whether donors should move ahead in financing the scale-up initiative without much evidence other than anecdotes or should refrain from it until research outcomes and lessons drawn from pilot projects are available. There is evidence of how connectivity provided by telecoms infrastructure contributes to economic growth, but little evidence of how ICTs contribute to growth and poverty reduction in developing countries. Need for more research and evaluation in this regard was identified.
- It is difficult to bring the private sector into the partnership. How risks and opportunities should be shared among stakeholders is the challenge. Donors, including International Finance Institutions, should re-visit conditionalities and/or modalities for finance. The World Bank representative shared its experience of guarantee scheme and emphasised the importance of local dynamics.

Conclusions for the OECD-DAC, Bilateral Agencies as well as the WSIS and MDGs +5 Preparation Process

26. **Mr. Richard Manning**, DAC Chair, presented his concluding points of the meeting and possible next steps.

Concluding points

- There is an emerging consensus that the role of ICTs is an “enabler” for development, not a “magic bullet”, and that ICTs are an effective tool to empower the poor.
- Regarding access/connectivity issues, some form of collective action needed at national, regional and international levels.
- In order to make ICTs contribute to development and poverty reduction, integration of partner government strategic actions and the bottom-up actions driven by the people is desirable.
- Issues related to ICTs need to be discussed in a broader development agenda, not a “separate sector”.

- Sustainability was frequently mentioned throughout the meeting. It is indeed a major concern not only for the ICT community but also for the development community at large.
- Multi-stakeholder partnership is identified through experience as a promising means to achieving results through ICT for development initiatives. The critical success factor is the shared vision and trust among the stakeholders involved.
- Risk-taking/sharing and capacity building are also identified as key areas to look into.
- There is a call for more research funding for economic and social implications of ICTs, as the lack of evidence, other than anecdotes and well-known examples, is the constraint to persuasion within agencies.
- In terms of market creation and infrastructure roll-out through the partnership with the private sector, more discussion is required on how the private sector – seeking a business return --, and the public sector – social/economic benefits – complement each other for the benefits of the poor.

Next steps

- Need for more collective discussion in the field, rather than disconnected/isolated ICT-specific discussion.
- “Role of aid” needs to be revisited (e.g. faced with “market failures”, how can aid contribute to infrastructure development?). More discussions are expected within agencies between ICT units and country desks in this regard.
- “Route to the Poor”- DAC POVNET can provide a platform for discussion on how ICTs can contribute to the Pro-Poor Growth. Given the importance of “results” in the development community, DAC EVALUNET can provide relevant resources of impact study, etc. Other DAC Working Parties and Networks will also be of help to the more in-depth discussions on ICTs and Poverty Reduction.

Concluding Remarks

27. **Mr. Walter Fust** concluded the meeting by saying “ICTs are an important enabler for development co-operation, empowerment and poverty reduction. If that view is not yet sufficiently prevailing at top levels in development agencies and ministries, don’t hesitate to follow a bottom up approach. We need a high degree of awareness going substantially beyond the expert level. Create alliances, stay networked and go for innovative solutions”.

ANNEX
LIST OF PARTICIPANTS

Co-Chairs

Walter Fust
SDC Director General

Richard Manning
OECD/DAC Chairman

Invited Speakers

Ms. Namrata Bali
Self Employed Women's Association
Secretary General

Ms. Lidia Brito
Minister of Higher Education, Science and
Technology, Mozambique

Panellists

Ms. Astrid Dufborg
SIDA, Sweden, Ambassador, Geneva Mission

Ms. Anriette Esterhuysen
Association for Progressive Communication (APC), Executive Director

Ms. Clotilde Fonseca
Omar Dengo Foundation, Executive Director, Costa Rica

Mr. Thor A. Halvorsen
Telenor Mobile AG, Executive Vice President, Norway

Mr. Wijayananda Jayaweera
UNESCO, Director of the Division of Communication Development

Mr. Abdul Waheed Khan
UNESCO, Assistant Director General

Mr. Richard Nyaulawa
Business Care Services, Managing Director, Tanzania

Ms. Rinalia Abdul Rahim
Global Knowledge Partnership, Executive Director

Mr. Gerolf Weigel
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	Mr. Peter Rave GTZ, ICT Coordinator
	Mr. Frank Weiler KfW Entwicklungsbank / Germany Sector Specialist Transportation and Communication
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	Mr. Kentaro Mizuuchi Japan International Cooperation Agency (JICA), Jordan Office Project Formulation Advisor (Education / ICT)

	<p>Mr. Koichi Shoji Japan International Cooperation Agency (JICA) Assistant Resident Representative / JICA Tunisia Office</p>
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UNECA	Ms. Aida Opoku-Mensah Team Leader, ICTs for Development Information Services Division
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Young Asia TV, Managing Director
- Mr. Subbiah Arunachalam**
MSSRF, Distinguished Fellow
- Mr. Pete Cranston**
OneWorld International, Network and Operations Director
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