

# **The Digital Freedom Initiative Annual Report**

**March 2004- March 2005**

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## Executive Summary

The goal of the Digital Freedom Initiative (DFI) is to promote economic growth by transferring the benefits of information and communication technology (ICT) to entrepreneurs, small businesses, and supporting institutions. The DFI approach leverages the leadership of the US government with both the creativity and resources of American business, and the vision and energy of local entrepreneurs in host countries. The DFI was launched on March 4, 2003 at the White House, where the Governments of Senegal and the United States agreed to pilot the DFI - the first of up to twenty countries to join the initiative over the next five years. On October 16, 2003, President Bush announced that Peru and Indonesia had agreed to join the DFI partnership. On June 9, 2004 Jordan was announced as the fourth DFI partner country.

The Technology Administration of the Department of Commerce, the US Agency for International Development, the Department of State, the Peace Corps, the Small Business Administration, and the DFI Business Roundtable cooperate with partner country government agencies and business volunteers in implementing the DFI. The DFI Business Roundtable is an open membership body composed today of over 40 US companies, non-governmental organizations, and academic institutions. US private sector participants provide vision, strategy, and business expertise to all phases of the DFI. They provide volunteers and other resources that leverage activities supported by the US government; and they collaborate with private sector entities in the DFI host countries to identify and implement activities that promote economic growth and opportunities.

The DFI program in Senegal continues to expand and achieve success. In 2004, 40 volunteers from the U.S., Canada, and Senegal contributed over 2000 person days, directly benefiting more than 100 private entities. Projects implemented in 2004 benefited more than 100 private organizations, including universities, non-governmental organizations, telecenters, and doctor's offices.

In Peru, the DFI began program implementation with focus on making finance available to small business, complementing the USAID Last Mile Initiative, making small business aware of IT as an important business tool, and strengthening the telecommunications legal and regulatory environment.

In 2004, DFI/Indonesia developed a design for its DFI program. DFI/Indonesia has the same priorities of all DFI programs with a special emphasis on integrating DFI activities into USAID/Indonesia's new education program. In 2004, DFI/Indonesia also focused on cybercrime issues affecting small and medium businesses.

Jordan was chosen as a DFI country in the spring of 2004. In its first year, DFI/Jordan leveraged a variety of on-going USAID activities that are consistent with the three pillars of the Digital Freedom Initiative including developing a base of U.S. and Jordanian business partner volunteers, strengthening legal and regulatory reform related to ICT, and leveraging existing ICT infrastructure to promote economic growth.

## Introduction

The Digital Freedom Initiative (DFI) is part of the Volunteers for Prosperity (VFP) initiative created by Executive Order on September 25, 2003. The DFI was launched on March 4, 2003 at the White House, where the Governments of Senegal and the United States agreed to pilot the DFI in Senegal, the first of up to twenty countries to be designated as DFI partner countries by 2008. On October 16, 2003, President Bush announced that Peru and Indonesia had agreed to join the DFI partnership. On June 9, 2004, the President announced expansion of the DFI to Jordan. Detailed information about past and present activities of the DFI is available on the DFI website at [www.dfi.gov](http://www.dfi.gov).

### The Goal and Objectives of the DFI

The goal of the DFI is to promote economic growth by transferring the benefits of U.S. commercial information and communication technology (ICT) to entrepreneurs and small businesses. The DFI leverages the leadership of the U.S. government with the creativity and resources of American business, and the vision and energy of local entrepreneurs in host countries. DFI objectives are to:

- ***enable innovation through volunteer-led business and entrepreneur assistance*** - The DFI leverages its activity by placing volunteers from the private sector and non-profit organizations with small businesses and entrepreneurs in partner countries to assist in growing their businesses through the application of technology and the transfer of business expertise,
- ***drive pro-growth legal and regulatory reform*** - public and private sector organizations work to assist DFI countries in developing pro-growth regulatory and legal structures to enhance business competitiveness, and
- ***leverage existing ICT infrastructure to promote economic growth*** - the DFI identifies opportunities to leverage existing information and communications technology infrastructure, for example, in-country cyber-cafes and telecenters. The DFI generates use of information and services that take advantage of existing ICT infrastructure and support, for example, financial services and product price information to help entrepreneurs and small businesses better compete in both the regional and global market place.

### The DFI is a Public/Private Sector Endeavor

The Technology Administration of the Department of Commerce, the U.S. Agency for International Development, the Department of State, the Peace Corps, and the Small Business Administration provide the DFI governance structure. A DFI Business Roundtable serves as the source of business interest and investment in DFI programs. The roundtable is an open membership body composed of U.S. companies, consultants, non-governmental organizations, and academic institutions. US private sector participants provide vision, strategy, and business expertise to the DFI. They provide volunteers and other resources that leverage activities supported by the U.S. government; and they partner with private sector entities in the DFI host countries to identify and implement activities that promote economic growth and opportunities.

Roundtable members seek to expand markets for technology, develop products and services that are more relevant and appropriate to local needs, and strengthen relationships with host country companies. The roundtable brings strategic thinking and business savvy that leads to replicable and scalable solutions as the DFI expands its programmatic activities to as many as 16 more countries by 2008. A list of DFI Roundtable members is provided in Attachment 1.

## Summary of Activities

### Senegal

DFI/Senegal launched on March 4, 2003, is the pilot program under the Digital Freedom Initiative. DFI/Senegal has a transparent process of selection of beneficiary businesses and private sector organizations. Proposals are evaluated and chosen for the quality of the proposal and the potential development impact of engaging DFI efforts.

In 2004, 40 volunteers from the U.S., Canada, and Senegal contributed over 2000 person days, directly benefiting more than 100 private entities. The program's 2004 activities are summarized below, followed by a few of the program's success stories and lessons learned.

### Core Activities

Projects implemented in 2004 benefited more than 100 private organizations, including:

- The Université du Sahel Web Portal: DFI volunteers from Senegal and the U.S. have helped the Université du Sahel develop a web portal for the University, which has begun offering student services online.
- Digital Patient Management: DFI volunteers worked with a doctor in Dakar to computerize patient records and management. Based on the lessons from this experience, DFI is beginning to extend the use of these IT tools to other professional offices and like small businesses.
- NGO Strengthening: Bokk Jang, a Senegalese nongovernmental organization working in the IT sector, piloted a series of activities to strengthen its staff management, accounting, and project management skills.
- Telecenter Business Management Support: 99 managers of telecenters and cyber cafés received training in small business management and gained increased access to financing and equipment through DFI support. These public access centers have served to improve their clients' access to markets in the cities of Dakar, St Louis, Louga, and Ziguinchor. This aspect of the DFI program is expanding to other major cities of the country.

- The “Cyber Louma<sup>1</sup>”: In partnership with the Government of Senegal and Hewlett-Packard, a cyber-center was established in Sandaga, the central market of Dakar. The center teaches computer skills, pilots ICT for development tools, and is the basis for a procedures manual for management of such centers that will be extended to markets in other cities in Senegal, West Africa, and beyond.
- Access to Market: Building on its successes with making cyber-cafes and telecenters more sustainable, DFI volunteers began developing training designed to expand their access to new markets. The training course will include structure and management of community organizations, leadership, and marketing in the textile sector.

### **Leveraged Activities**

The Digital Freedom Initiative in Senegal has contributed to, and benefited from, several leveraged activities in 2004. Leveraged activities are those that share some of the DFI objectives but receive no DFI program funding. Examples include the following:

- Eleven Cisco Network Academies are now operational in Senegal, training the IT workforce so critical to national economic success. The academies complement the training provided by DFI/Senegal directly.
- ACI Baobab, an American organization in Dakar specializing in web portal development and capacity building, has engaged local DFI/Senegal volunteers to develop technology solutions. In return ACI Baobab will provide training for all DFI International volunteers. No DFI program funding was used.

### **Policy and Regulation**

The DFI is helping to organize constituent voices in discussions on information and communications technology policy and regulation. The Government of Senegal has engaged DFI to:

Participate in a ‘Small Business Caravan’ organized by the Ministry of Small and Medium Enterprises.

- Contribute to civil society dialog sessions organized by the telecommunications regulatory agency.
- Participate in a workshop on liberalization of the telecom sector during the official launching of the Senegalese Information Technology and Services Association, an ICT trade association.
- Counsel the Ministry of Education on field application of ICT in the Senegalese educational system.

### **Success Stories**

Two of DFI/Senegal’s success stories for 2004 are the result of the creation of the “Cyber Louma” mentioned above. The Cyber Louma is actually a partnership between

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<sup>1</sup> Louma means marketplace in Wolof, a language spoken by many Senegalese.

DFI/Senegal and a local merchant association and uses equipment partially donated by the Senegalese government. The Cyber Louma has already helped over a dozen small merchants, for example:

- Souhaibou Diop, a small merchant, usually buys his goods from suppliers in Dubai. One day he heard about the Cyber Louma, so he dropped in to see what it was all about. After being trained and setting up an e-mail account, he began searching for new suppliers and soon established an electronic relationship with Magna Fabrics of New Jersey. He now buys his fabrics through this relationship, deepening Senegal's trade with the U.S.
- Gor Mbaye is a small wholesaler in Sandaga Market. He owns a store and does business with many suppliers in Dakar. He used to write his bills by hand and never knew much about computers. Following training at the Cyber Louma, Gor Mbaye does all his bills and accounting through the computer. He e-mails suppliers, receives offers and negotiates prices. He is now taking more advanced accounting courses at the Cyber Louma.

### **Lessons Learned**

Two lessons learned by DFI/Senegal are the following:

- ICT-enabled applications developed in one DFI country can be adapted for use in other countries. For example, ICT-enabled training materials used to help small businesses in DFI Senegal are now being considered for use to improve cyber café operations, small business management and market access in Afghanistan, Mali and Honduras.
- As DFI/Senegal's program matures, the team is working more effectively with local volunteers to apply their knowledge of the local business environment, while helping U.S. volunteers better apply their American business expertise.

### **Peru**

Consistent with the pillars of the DFI, DFI/Peru focused on the following activities in 2004:

- Financing activities related to the use of ICT by small and medium enterprises (SME's)
- Pilot project to complement the Last Mile Initiative, an ICT-based USAID program
- ICT awareness building and training for micro and small and medium enterprises (MSME's)
- Using ICT to help advertise business support services available to SME's.
- Strengthening the telecommunications legal and regulatory environment. Each is described briefly below followed by a discussion of DFI/Peru's activities related to volunteers and business and civil society partners.

## **1. Financing activities for SME's linked to ICT**

DFI/Peru spread the word about the availability of grants for projects (Fondo de Iniciativas de Articulación Comercial – FIAC). One of the lines of financing in the fund is to develop networks or clusters of businesses using e-business tools. The fund is part of the activities in the project “Systems of Commercial Coordination to Improve Productivity in MSME's in Peru (Sistema de Articulación Comercial y Mejora de la Productividad de la Micro y Pequeña Empresa en el Perú) and it is targeting entrepreneurs in 10 regions of the country.

## **2. Pilot Project Linked to Last Mile Initiative**

In 2004, DFI/Peru began developing an alliance with another USAID-funded program, the Last Mile Initiative. This is an initiative of the USAID Administrator to help extend access to telecommunications beyond the currently available infrastructure using innovative technical and business approaches. The initiative focuses on helping small and medium enterprises among other beneficiaries. The pilot project will focus on joint DFI/Last Mile Initiative activities in rural areas.

## **3. Awareness and Training of MSME's in the Use of ICT**

The Peace Corps took the lead on this DFI/Peru activity in 2004 in which Peace Corps volunteers trained 100 (400 targeted for 2005) entrepreneurs in ways to use ICT. Aid to Artisans (ATA) is training and updating artisans in artisan issues in different areas of Peru on a permanent basis. In 2005, DFI/Peru will work with COPEME<sup>2</sup> and its network of entrepreneurs to conduct more awareness building sessions. For all sessions, DFI/Peru plans to track the entrepreneurs trained so that it can follow up to see how well they actually use ICT.

## **4. Using ICT's to Advertise Business Support Services Available to SME's**

DFI/Peru – with COPEME – is developing the System of Information of Business Development Services (SISDE PERU, el Sistema de Información y Calidad en Servicios de Desarrollo Empresarial del Perú). The system will soon be ready to be put up on the Web. Using this IT tool, service providers will be able to offer their specialized services to MSME's by region and by industrial sector and this will expand the range of new information, training and technical assistance, and business networking available to small businesses. [www.sisdeperu.com](http://www.sisdeperu.com). This system will complement work being done by Prompyme y Perú Emprendedor (both are government institutions that work to promote Peru's MSME sector). [www.prompyme.gob.pe](http://www.prompyme.gob.pe), [www.mypeplaza.com](http://www.mypeplaza.com) .

## **5. Strengthening the Telecommunications Regulatory and Legal Environment**

For the Ministry of Transport and Communications, USAID's CRECER activity has completed a Diagnostic for the Development of Telecommunications Services, which was

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<sup>2</sup> Consorcio de Organizaciones Privadas de Promoción al Desarrollo de la Micro y Pequeña Empresa (COPEME).



used as an input to the design of a National Plan for Telecommunication Services. CRECER also completed a Preliminary Diagnostic of the Legal and Regulatory Framework of the Postal Sector and a Diagnostic of the Market for Postal Services, which were used by the MTC as inputs to develop a plan of action for Postal Reform. In conjunction with the National Office of Electronic Government and Information of the President's Ministerial Advisors, CRECER has completed a study on electronic government and connectivity.

The Federal Communications Commission (FCC), a member of the DFI Interagency Working Group, has completed plans for a Workshop on Convergence, Competition and Connectivity to be held in Lima, Peru on April 25-26, 2005 as a DFI/Peru activity. The workshop was requested by the Peruvian telecommunications regulator, OSIPTEL. The purpose of the workshop is for expert U.S. regulators to provide detailed information to Peruvian telecommunications regulators and policy makers on regulatory techniques and new technologies designed to remove barriers to expanding access to information and communication technologies at affordable prices.

### ***DFI/Peru: Volunteers and Partners***

DFI/Peru conducted two other activities in 2004 related to recruiting university students as DFI volunteers and searching for new partners. Related to the former, DFI/Peru reached an agreement with the Electrical Engineering Department in the Pontificia Universidad Católica del Perú (PUCP). The professors there are interested in promoting the design of management tools (software) for MSME's. In addition, students at the Universidad Femenina del Sagrado Corazón de Jesús (UNIFE) are presenting their thesis proposals (research work for the degree in Systems Engineering). Possible activities include the design of a web page to promote the marketing, production, and sales of crafts and the development of systems to assist small businesses to cooperate in exploiting subcontracting opportunities.

DFI/Peru has also established contact with Prompyme [www.prompyme.gob.pe](http://www.prompyme.gob.pe), [www.mypeplaza.com](http://www.mypeplaza.com), and a portal offering free listings on their website showcasing goods and services of Peru's micro and small businesses. In addition, DFI/Peru is working with Peru Camaras (Trade Association of the Chambers of Commerce in Peru) [www.perucamaras.com](http://www.perucamaras.com) on a project that will build awareness and train entrepreneur, organized by sector, in the use of ICT.

### **Indonesia**

In 2004, DFI/Indonesia developed a design for its DFI program, which is well integrated with USAID/Indonesia's activities. The plan is in Attachment 2. As the plan describes, DFI/Indonesia has the same priorities of all DFI programs with a special emphasis on integrating DFI activities into USAID/Indonesia's new education program. The education program is to be launched in 2005. In 2004, while the education program was being planned, DFI/Indonesia focused on cybercrime issues affecting small and medium businesses. Indonesia has one of the highest rates of cybercrime anywhere in the world. This puts a drain on the economy. For example, businesses cannot conduct e-commerce for fear of cybercrime. Major international credit card companies add a surcharge on transactions in Indonesia because of the high rate of pirated card numbers.

Some high points of the cybercrime related work included:

- The design and oversight of the first cybercrime forensics lab in Indonesia, which meets minimal international standards.
- The design and delivery of training establishing a common body of knowledge about computing, computer networking, the nature of cybercrime, and computer forensics.

DFI related work also included advice to the Ministry of Communications and Information regarding the introduction of tools needed to raise the efficiency of spectrum management, reducing costs to consumers and raising investment. This is particularly critical for Indonesia's wireless technology sector. With USAID technical assistance, a Frequency Allocation Table was recently completed. If adopted by the GOI, it will be the first official guidance that provides stakeholders – including businesses -- and those using radio frequencies for communications with a plan and roadmap for usage now and into the future

This DFI/Indonesia activity provided a lesson for other DFI programs. Under the DFI/Indonesia program, USAID, the State Department, the Department of Justice, and the ASEAN Secretariat supported the hiring of a cyber security czar in Jakarta for one year to assist the Indonesian government, the private sector, and NGOs to enhance their skills in the area of safe business and sound legislative practices. By capitalizing on U.S. leadership in this field, US government agencies provided technical assistance to the Indonesian government and private sector, including placing a long-term U.S. expert adviser in Jakarta. The high level of up-to-date expertise provided increased the willingness of Indonesian businesses and government offices to learn together about cyber security, jointly develop solutions that fit Indonesia, and see the value of international cooperation in dealing with this global problem. In total 20 volunteers were involved and at least 100 small and medium enterprises benefited from activities including the following:

- Volunteers from companies and non-governmental organizations (NGOs) stepped forward to become part of an informal alliance to work toward improved legislation and a better, more transparent operating environment. While these companies and NGOs had their own interests at stake, it showed that cybercrime – a truly global problem - affects all of Indonesian society.
- Through increased awareness, small and medium enterprises (SMEs) now understand the need for cyber security. In addition, the government of Indonesia is drafting improved legislation and is considering the ratification of the convention on cyber security.

## **Jordan**

Jordan is the newest DFI country, selected in mid-2004. As described in detail in its 2004 DFI report in Attachment 3, Jordan is a country that is embracing information and communications technologies (ICT) to improve its domestic social and economic conditions and using ICT to position itself in an increasingly open global marketplace. DFI/Jordan reflects these accomplishments and direction. Four areas of activity deserve particular mention:

- **Forward-thinking vision and extraordinary leadership:** Following the vision of King Abdullah II, the Government of Jordan (GOJ) has created a path of economic development that emphasizes economic reform, true public-private partnerships, international competitiveness and private investment. Countries with strong champions are able to implement and sustain their ICT strategies.
- **Active public-private initiatives are producing results in the short term:** The Jordanian ICT sector development strategy, the REACH initiative -- targeting a wide array of policy and institutional reform -- is but one example of numerous public-private partnerships that have achieved great success in shaping investment laws and government policies for economic development. Consequently, international ICT leaders, such as Intel and Cisco are choosing Jordan over other countries in the region as a long-term investment destination.
- **Human resources:** Jordan capitalizes on these advances by promoting its small, young, and well-educated population as tomorrow's global knowledge workers. Jordan already leads many developing countries with the number of computer-to-student ratios. As this number grows rapidly, broadband is installed, and new application service provider (ASP) teaching models are developed, Jordan's human capital will be increasingly internationally competitive.
- **Embracing change:** Despite starting later than most countries on its ICT development initiatives, Jordan has achieved some remarkable early achievements in regulatory and legal reform that have measurably improved Jordan's e-readiness.

In its first year, DFI/Jordan continued a variety of activities that are consistent with the three pillars of the Digital Freedom Initiative:

- **Volunteerism** - The USAID-funded Jordan-US Business Partnership, for example, uses business volunteers to provide firm level technical assistance, including innovative uses of ICT.
- **Legal and regulatory reform related to ICT-** An example of a DFI related activity in this area is the efforts by USAID to strengthen the Telecommunications Regulatory Commission (TRC) by providing a variety of technical assistance.
- **Leveraging existing ICT infrastructure to promote economic growth-** Again, just one example of such a DFI activity is the assistance provided by USAID to develop new ICT businesses in Aqaba as part of the Aqaba Special Economic Zone. The assistance included a blueprint of a proactive strategy to build potential ICT businesses in Aqaba, particularly as the national exclusivity condition of the Jordan Telecommunications Company expired at the end of 2004.

The DFI/Jordan annual report, in Attachment 3, also includes a summary of DFI/Jordan plans for the coming year with projected results to be accomplished by 2006.

## Attachment 1: DFI Business Roundtable

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## Attachment 2: USAID/Indonesia DFI Design Plan

### Introduction

In a large archipelago such as Indonesia, information and communication technology (ICT) is a logical solution for overcoming geographic barriers to business and development. However, ICTs are not being used and the economic, social and political growth of Indonesia is being compromised as a result. The United States is responding with assistance through the President's Digital Freedom Initiative (DFI). In 2004, Indonesia will become the third country to receive DFI assistance. Over the next four years, DFI/Indonesia will provide assistance to increase ICT access; improve the provision of local level services; and target areas of regulatory and policy reform.

### Indonesia – Problem Statement

The lack of access to ICTs in Indonesia is impeding on the country's pursuit of economic growth and poverty reduction. Corruption in the marketplace, closed competition on some services, and limited infrastructure investment are contributing to a weak ICT environment. Mediums such as the internet, television and radio are not being utilized to provide essential services to those most in need. There are less than one million internet subscribers in Indonesia. Internet access points are primarily in the largest cities and suffer from very slow connection speeds. The Government of Indonesia (GOI) passed a telecommunications law (Law No. 36) in 1999 that addresses many of the regulatory requirements under the WTO Agreement on Basic Telecommunications. While much progress has been made, key regulatory issues such as interconnection and universal service, remain unresolved. Retail pricing practices and the transparency of licensing issuance also remain controversial. As a result, Small and Medium Sized Enterprises (SMEs), the Education Sector, Local Governments and Non-Governmental Organizations (NGOs), to list but a few, are deprived from the benefits of information technologies.

A comparison with other countries in Southeast Asia is indicative of the weak ICT environment in Indonesia. Countries in the region are actively pursuing policies and strategies for using ICTs to spur SMEs-driven growth and strengthen development initiatives. The chart below illustrates how Indonesia trails far behind its neighbors in developing an effective ICT infrastructure. It does not, however, highlight the significant regional disparities within the country. Without a new emphasis on the provision of access to people and regions underserved, Indonesia will continue to trail behind its neighbors and be deprived of the benefits derived from information technologies.

	Indonesia	Malaysia	Thailand	Philippines
Computer Ownership Per 100 Inhabitants	1.01	12.6	2.8	1.93
Telephone Lines Per 100 Inhabitants	3.11	20.5	12.6	8.70
Internet Hosts Per 10,000 Inhabitants	1.27	31.1	11.8	2.54
Internet Users Per 100 Inhabitants	1.82	27.3	6.7	4.27
Cell Phone Subscribers Per 100 Inhabitants	1.73	32.8	12.3	15.9

Roger Harris, The Jakarta Post, April 2, 2004

## **USAID/Indonesia Program – Overview**

In 2004, USAID will begin implementing a new Strategic Plan for Indonesia in which DFI will play an integral role. Responding to Indonesia's current development environment, U.S. strategic priorities, and USAID's comparative advantage, the plan will **strengthen a more moderate, stable and productive Indonesia**. To meet this goal, four strategic objectives will be achieved:

Resulting from President Bush's October 12, 2003 announcement, a major new initiative will IMPROVE THE QUALITY OF BASIC EDUCATION.

A newly integrated approach to community-driven development and government service delivery will IMPROVE THE QUALITY OF BASIC HUMAN SERVICES.

In a sector where USAID is already the leading donor in Indonesia, assistance will be provided for EFFECTIVE DEMOCRATIC AND DECENTRALIZED GOVERNANCE.

Supporting Indonesia's economic stabilization efforts, assistance will STRENGTHEN ECONOMIC GROWTH AND EMPLOYMENT CREATION.

This Strategic Plan represents an evolution from previous USAID/Indonesia programs. In response to the fundamental changes in Indonesian governance created by the far-reaching GOI decentralization process, USAID will shift focus from programs driven by central government activities to a broader and deeper partnership with local governments and communities. These programs will be much more integrated and driven by results that make a difference in the lives of the people of Indonesia. Integration will extend both to activities being pursued within each of the four new areas and to wider opportunities (such as DFI) for collaboration between and among programs.

## **Digital Freedom Initiative – Overview**

President Bush launched the Digital Freedom Initiative on March 4, 2003. The overarching goal of the DFI is to promote economic growth by transferring the benefits of ICT to entrepreneurs and small businesses in the developing world. The approach leverages the leadership of the U.S. government with counterpart government agencies in DFI beneficiary countries. The DFI uses public-private partnerships that leverage the innovation and energy of the DFI host country entrepreneurs, small businesses and governments with the creativity and resources of the U.S. government and U.S. private sector. Together, these partners seek solutions that are replicable, scalable, and transferable to other DFI countries. The first country to be selected for participation in the DFI was Senegal. At the APEC Leaders Meeting in Bangkok, October 2003, President Bush announced Indonesia and Peru as the next two countries to begin receiving DFI assistance. It is expected that DFI assistance will eventually expand to twenty countries.

The DFI is led by an Interagency Working Group (DFI-IWG) drawn from participating U.S. Government agencies (the U.S. Department of Commerce, the Department of State, the Agency for International Development, the Peace Corps, and the Freedom Corps). Significant involvement from private sector partners is incorporated through a DFI Roundtable with membership open to any interested business or NGO. The U.S. Department of Commerce serves as the DFI Secretariat. The local USAID team manages the DFI in recipient countries. Transparency is the hallmark of all DFI activities.

The DFI has three global objectives:

- 1) Leverage existing information and communications infrastructure to promote economic growth.
- 2) Enable innovation through businesses and entrepreneurs with volunteer assistance.
- 3) Drive legal and regulatory reform to enable competition.

### **The Digital Freedom Initiative in Indonesia**

Combining the Initiative's global objectives with USAID/Indonesia's program priorities, DFI related activities are being designed and implemented as part of the Mission's Strategic Plan for 2004-2008. The approach is based on initial findings and recommendations provided by the DFI Design Team in January 2004.

The primary objective of the Initiative is to **increase ICT access to underserved Indonesians**. Access means there are ICTs available and being used, which can measurably increase productivity for the given sector. Underserved is defined as those currently not receiving the benefits of ICT applications. The DFI in Indonesia will increase access to SMEs and NGOs, small communities, and government organizations that provide human services such as education. Smaller cities, towns and remote areas where USAID is providing its core package of service-related assistance will be selected as initial sites for DFI implementation.

The introduction of ICT models through DFI will "leap-frog" over the availability of current technologies used in Indonesia and reduce access barriers to underserved populations. Activities will be implemented that introduce innovative low cost technologies such as wireless networking, SMS messaging, radio, television, and Voice Over IP. Training will be provided that builds the capacity of those using ICTs. This will allow individuals, organizations and SMEs to creatively apply technologies that increase productivity and meet their specific needs.

ICT will be implemented through a core "access" activity and a number of ICT-related elements incorporated into projects designed achieve USAID/Indonesia's four Strategic Objectives. Although the majority of work will be at the local level, USAID also seeks "targets of opportunity" to intervene at the policy level. A number of DFI-related activities, at local and policy levels, are already being implemented or are in advanced design stages.

### **Increasing access through the introduction of sustainable models**

The DFI in Indonesia will center on an activity that provides scalable and commercially sustainable models of ICT access to underserved populations. Such models will directly benefit SMEs, NGOs, small communities, and local government organizations. The models will supply broad-based public access that can provide a wide-array of ICT application solutions such as e-commerce for SMEs; distance learning; e-government and VoIP. Prioritizing access in remote areas, innovative wireless solutions are prime candidates for this activity. USAID/Indonesia is currently working with the DFI Design Team



in drafting a scope of work for this activity. The scope and breadth of the activity is contingent on the availability of funding resources.

### **Improving local level service provision with ICTs**

USAID is incorporating ICT activities into projects being designed to improve the delivery of human services at the local level. Services such as education, health, disaster relief, and water and sanitation will benefit from the provision and implementation of access based solutions. Through this intervention, SMEs and communities will also have better access to services provided by local governments.

### **Education Services**

Over the next five years, USAID will provide significant levels of resources to improve the quality of education in Indonesia. The sector faces significant challenges that derive from poor teacher training, antiquated teaching practices, a lack of computers resources and training, and a low level of education funding. A wide range of ICT solutions will be used to achieve USAID education objectives. For example:

- Cost effective distance learning for in-service teacher training
- Computer literacy training to create critical job skills for the next generation workforce
- Computer-assisted instruction in language, math, and other core curriculum
- Production of local school materials on CD ROM and other multimedia
- Data systems that improve school management through more informed decision-making

USAID/Indonesia is in the process designing ICT activities for education. The DFI Design Team identified a list of ICT mechanisms that could improve the quality of education in Indonesia. In May, an Education Design Team will evaluate potential site locations in Indonesia and begin designing a new USAID Education project. An ICT expert on the Team and the USAID/Indonesia DFI Coordinator will join the group to identify DFI opportunities.

### *Emergency Relief Services*

Working with a private-sector partner, USAID/Indonesia is designing wireless solution to track the availability of emergency relief materials. Hand-held devices will access a centralized data center that inventories the type, quantity and availability of emergency relief materials such as food, water and medical supplies. Availability of delivery mechanisms will also be tracked in the system. "With a touch of the button," relief workers in remote or disaster areas will be able to locate necessary materials and identify the time necessary for transportation. Given the remote geography of Indonesia, success of the model has potential applications reaching far beyond disaster relief.

### *Health Services*

The model noted above may eventually benefit delivery of health services. USAID/Indonesia has already assisted 100 district health offices in Indonesia receive internet connections to provide and access national health data. Upgrading to a wireless hand-held solution will increase the range and accuracy of child and maternal health surveillance operations. USAID/Indonesia will incorporate the experiences of a similar project underway in Nepal.

### *Local Government Service Provision*

A high priority for the USAID assistance program in Indonesia is to provide support that allows local governments to operate in a transparent, accountable manner while increasing the role of its constituents in decision-making. ICT can play a significant role in this process. ICT government-to-business solutions could improve the business climate by allowing SMEs to access information on business registration or local procurement. Citizen participation in decision-making processes would increase as they could access pertinent government information and more effectively advocate for their interests. Because of budget restrictions, the introduction of these e-Government solutions may be delayed or withdrawn. USAID/Indonesia is currently working to identify resources for an initial pilot project.

### **Opportunities for Regulation and Policy Reform**

As previously mentioned, key policy and regulatory issues in the telecommunications sector remain the largest barriers to narrowing the digital divide in Indonesia. Given the dimensions of the problem and the availability of DFI resources, it is not in USAID/Indonesia's managerial interests to influence significant change at the policy level. Larger multilateral donors such as the World Bank and ADB are active in the sector. However, USAID/Indonesia is identifying "targets of opportunity" where modest resources will have a measurable impact in regulatory reform. USAID will work with the Indonesia trade association for telecommunications (MASTEL), to develop recommendations for a new Telecommunications Blueprint, and amendments to Indonesia's Telecommunications Law where relevant. Areas that will be addressed may include an independent regulatory process; licensing; interconnection; retail pricing and interconnection; universal service; and frequency allocation.

Indonesia suffers from a high incidence of cyber-crime that significantly affects the utilization of ICT for commerce, particularly restricting the participation of SMEs. USAID is working with the GOI to increase its capacity to detect and eliminate cyber-crime in Indonesia.

### **Management of DFI in Indonesia**

The USAID/Indonesia ICT Team manages DFI Indonesia. The DFI Coordinator resides in the Program Office. The Coordinator works closely with the USAID DFI Global Team in Washington, DC (EGAT/EIT/IT) and, where needed, with the DFI Secretariat in the U.S. Department of Commerce.

### *Monitoring and Evaluation*

In its Performance Monitoring Plan (PMP), USAID/Indonesia will establish measurable targets to monitor activities results and outcomes. For DFI global requirements, it will monitor the number of SME's benefiting from its activities and the number and intensity of its use of volunteers (Volunteer Count and Total Volunteer-Days). At regular intervals, DFI activities will be evaluated based on performance benchmarks that measure the number and type of participating small businesses, increases in access to and use of ICT by participating businesses and other organizations. It will report to the USAID DFI global team on a semi-annual basis.

### *Private Sector Volunteers and Corporate Contributions*

A key component of the DFI will be the use of business and technical volunteers and corporate contributions from the U.S. and Indonesia. DFI Indonesia plans to use a mix of local and international business volunteers. The Mission has secured resources to bring out a group of GeekCorps volunteers to provide technical assistance in DFI recipient areas. Other resources for volunteers might include the Emerging Markets Development Advisors Program; Indonesian IT or business schools through internships; Indonesian business associations; and Indonesian or American Chambers of Commerce. USAID/Indonesia has already initiated discussions with a number of corporations on potential areas of collaboration. It is anticipated that at least one collaborative activity will be implemented before the end of the fiscal year.

**Attachment 3:**

**Digital Freedom Initiative: Jordan**



**November 2004**

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## I. DFI Global Overview

The Digital Freedom Initiative (DFI) is a joint program of the US Department of Commerce, the US Department of State, US Agency for International Development, Peace Corps and USA Freedom Corps.

The initiative, launched in March 2003, promotes economic growth by transferring the benefits of information and communication technology (ICT) to entrepreneurs and small businesses in the developing world.

## II. DFI Objectives

The Digital Freedom Initiative has three main objectives:

- *Enable Innovation through Volunteer-led Business and Entrepreneur Assistance*  
DFI places volunteers in small businesses to share business knowledge and technology expertise.
- *Drive Pro-Growth Legal and Regulatory Reform*  
DFI assists countries in drafting and establishing pro-growth regulatory and legal structures to enhance business competitiveness.
- *Leverage Existing Information and Communications Infrastructure to Promote Economic Growth*  
DFI identifies opportunities to leverage existing infrastructure (e.g., in-country cyber-cafes and telecenters) to generate information and services (e.g. financial services, commodity price information, etc.), allowing entrepreneurs and small businesses to compete globally.

## III. Overview: Jordan and ICT

While the world moves in many directions, one current runs through socio-economic growth and development activity in the past fifty years – technological innovation. Countries that respond and adapt to change by modifying, enhancing, and applying innovations, have leapt into new markets and benefited from substantial income growth. Ireland's economic rebirth, India's dominance in overseas outsourcing, and Korea's innovative connectivity had seemed unimaginable just ten years ago. Technological innovation made the inconceivable a reality.

Following the innovators' footsteps, an increasing number of countries are striving to harness information and communication technologies (ICT) to improve their domestic social and economic conditions, utilizing ICT to position them in an increasingly open global marketplace.

Jordan has taken great strides to reform its policy and regulatory environment, promote digital inclusion, and create a knowledge-based economy. This effort hinges on the country's e-readiness and its ability to leverage technology for broader socio-economic development. Jordan continues to improve its position, maximize its advantages, and

address many of the shortcomings in cooperation with the USG in Jordan. Four areas deserve particular mention:

- *Forward-thinking vision and extraordinary leadership:* Following the vision of King Abdullah II, the Government of Jordan (GOJ) has created a path of economic development that emphasizes economic reform, true public-private partnerships, international competitiveness and private investment. Countries with strong champions are able to implement and sustain their ICT strategies.
- *Active public-private initiatives are producing results in the short term:* The ICT sector development strategy, the REACH initiative--targeting a wide array of policy and institutional reform--is but one example of numerous public-private partnerships that have achieved great success in shaping investment laws and government policies for economic development. Consequently, international ICT leaders, such as Intel and Cisco are choosing Jordan over other countries in the region as a long-term investment destination.
- *Human resources:* Jordan capitalizes on these advances by promoting its small, young, and well-educated population as tomorrow's global knowledge workers. Jordan already leads many developing countries with the number of computer-to-student ratios. As this number grows rapidly, broadband is installed, and new application service provider (ASP) teaching models are developed, Jordan's human capital will be increasingly internationally competitive.
- *Embracing change:* Despite starting later than most countries on its ICT development initiatives, Jordan has achieved some remarkable early achievements in regulatory and legal reform that have measurably improved Jordan's e-readiness.

## IV. DFI Jordan Program Accomplishments

The United States government, through USAID/Jordan, promotes the three objectives of the Digital Freedom Initiative. Jordan was chosen as a DFI country in the spring of 2004. For a number of years before this selection, however, USAID/Jordan had been addressing DFI program areas. Accomplishments under each of these pillars include the following:

- Volunteerism
  - *NetCorps-Jordan:* The USAID-funded AMIR Program is supporting and funding the implementation of the NetCorps-Jordan program, a youth internship effort that trains young people and places them in community ICT centers (known as "Knowledge Stations"). The program is designed to introduce ICT into the daily lives of citizens, including entrepreneurs. Launched by King Abdullah in July 2002, NetCorps is managed by The Queen Zein Al-Sharaf Institute for Development (ZENID). NetCorps has trained and placed 130 volunteers.
  - *The Jordan-US Business Partnership:* The USAID-funded Jordan-U.S. Business Partnership (JUSBP) program (implemented by the Interna-

tional Executive Service Corps (IESC)) is a firm-level technical assistance project that fosters exports for Jordan's small and medium enterprises (SMEs). JUSBP has assisted several dozen companies and organizations by incorporating the central role of ICT within their operations and in integrating ICT into their plan to boost efficiency and exports to the U.S. and Europe. Additionally, many young Jordanian IT companies have impressive technical skills, but lack fundamental management and financial knowledge. JUSBP provides management assistance to these firms. Since 1999, over \$850,000 in funding and over a year of volunteer executives' (VE) time has been dedicated to assisting Jordanian firms and associations improve their marketing, operations, and product quality for the export market through ICT innovation.

- *INJAZ*: The USAID-funded INJAZ Program (administered by Save the Children) is a Junior Achievement-based entrepreneurship development program. Operating within the Jordanian public school system, INJAZ uses volunteers from throughout Jordan's private sector to teach middle school, high school, and university students about practical economics and business development. INJAZ promotes ICT as a learning tool and it recognizes that the ICT sector is a dynamic and expanding sector ripe for young job seekers and would-be entrepreneurs. Since 1999, USAID has spent over \$6 million on the INJAZ-Jordan program and it will reach 100,000 students annually by 2009.

- Legal and regulatory reform in ICT

- *Telecommunications Regulatory Commission Support and Capacity Building*: A level legal and regulatory playing field considered transparent and fair to all players is essential to sustained growth in the ICT sector. To this end, USAID has invested substantial expertise in establishing and strengthening the Telecommunications Regulatory Commission (TRC). These activities included the hiring a full-time advisor, assisting in developing HR and recruitment strategy, and providing international expertise for a wide variety of pressing regulatory matters.
- *3rd Mobile License*: With USAID support, the TRC drafted and implemented the licensing process for an additional mobile operator, including evaluation of pre-qualification submissions, development of detailed application rules for pre-qualified applicants, and then working with applicants to resolve any questions regarding application procedures. The TRC announced the successful license applicant in July 2004.
- *Ministry of Information and Communications Technology – MoICT Support and Capacity Building*: USAID provided six long-term advisors as a transition team to transform the old Ministry of Post and Communications to the new MoICT. The advisors filled line positions in the Ministry including policy and telecom advisors, e-government director, and Chief Information Officer. MoICT gradually replaced these USAID-supported positions with local full-time employees in 2003.



USAID also supported the Ministry's ICT capacity by providing ICT resources and equipment to cope with its workload. It helped the ministry restructure by crafting a human resources system

In addition, USAID assisted the MoICT to establish a Program Management Office to oversee the ambitious e-government program. This assistance included the founding of the office and training of the staff in business process reengineering.

- *REACH*: Through a grant to the nascent IT association of Jordan, INT@J, USAID sponsored the development of Jordan's ICT strategy, called the "REACH Initiative." The REACH initiative was presented to King Abdullah II in October 1999 (REACH 1.0). The strategy presented a clear plan of action to bolster the country's young ICT sector and maximize its ability to compete in local, regional, and global markets. It took a critical look at Jordan's strengths and weaknesses vis-à-vis other relevant competitors. Most importantly, it outlined a 5-year plan, specifying actions to be implemented--by the private sector, the Government, and by other stakeholders--to ensure a favorable place for Jordan in the Internet-based e-economy. Subsequently, USAID helped draft 25 REACH-inspired laws and regulations to improve the legal and regulatory environment for a vibrant IT sector. Since its inception, the REACH strategy has evolved through three reviews and updates.
  - *National Information Technology Center Law Amendment*: USAID drafted many of the legal and business requirements for transforming the outdated internal GOJ information sharing backbone called the National Information Center (NIC) into the operations center for the management of Jordan's e-government efforts. Currently, USAID is working with the MoICT to transform the NITC into an excellent technology, operations and data center that will house all the ICT projects at a national level. A strategy and implementation plan has been developed for the center.
  - *Assistance in Developing E-Government Standards & Guidelines*: USAID drafted guidelines to cover interoperability standards, web applications and e-government systems architecture.
- Leveraging Existing Information and Communications Infrastructure to Promote Economic Growth
- *Design and Installation of a Secure Government Network (SGN)*: USAID supported Jordan's e-government efforts by designing and installing a secure government network for six ministries within the GOJ. This effort involved the development of a government wide directory that allowed for secure intra-governmental e-mail access for the six ministries that will be expanded by the GOJ to include all ministries.
  - *Broad Band Network PMU Support*: USAID supported the MoICT in establishing and institutionalizing the Broadband Network Project Management Unit (PMU) to develop the Broadband University and Discovery Schools networks. This network will provide broadband access to all education centers in

the Kingdom and could be leased by the government to support economic activity throughout the country.

- *Knowledge Stations Support:* USAID drafted an economic feasibility plan for the nation's 100 Knowledge Stations system. By providing a roadmap for long-term sustainability, this process contributed to the cultural and socio-economic development of the targeted communities. An operating unit within MoICT was trained to manage and implement the plan.
- *Aqaba Special Economic Zone:* USAID helped the Aqaba Special Economic Zone Authority (ASEZA) institute a fully automated business registration and licensing system. In April 2004, ASEZA won the Silver Award for Workflow Management, an international prize for top performers in efficiency enhancement given by the Workflow Management Coalition (WfMC) and the Workflow and Reengineering International Association (WARIA).
- *Development of new ICT business in Aqaba:* As part of the infrastructural growth in the Aqaba Special Economic Zone, the current USAID assistance program in Aqaba, AZEM (Aqaba Zone Economic Mobilization), provided the newly established Aqaba Development Company (ADC) with the blueprint of a proactive strategy to build potential ICT businesses in Aqaba, particularly as the national exclusivity condition enjoyed by the Jordan Telecom Company expires at the end of 2004.
- *Public Private Partnership to Train Disadvantaged Women:* Through a Grant to the United Nations Development Fund for Women (UNIFEM), USAID is supporting a unique public-private partnership that targets young women for IT training. This program, in partnership with CISCO Systems, has already trained more than 500 women from socially disadvantaged backgrounds -- significantly contributing to improving the social and economic position of these beneficiaries through broadened employment opportunities.
- *Integration of IT into Jordan's Educational System:* Through an agreement to the Academy for Educational Development (AED), USAID is supporting the Ministry of Education's efforts to better integrate IT systems and teaching practices into the primary and secondary educational system. Under this program, USAID has already supported the introduction of new teaching methods for teachers who work in e-enabled classrooms; initiated the development of curriculum for Jordan's new IT education stream for secondary school students (aimed at ensuring these students graduate with skills that can be used in the job market).
- *Development of E-enabled Curriculum for Jordan's Schools:* In partnership with CISCO Systems, the Department of State's Middle East Partnership Initiative, and Jordan's private sector, USAID will support the development of e-enabled curriculum to be used in 96 Discovery Schools. USAID will manage the development of a civics education module – blending democratic and civic education themes into an advanced interactive e-curriculum package. Through a Grant to the Cisco Learning Initiative, the Department of State's Middle East Partnership Initiative (MEPI) will support the development of e-

enabled English as a Foreign Language curriculum designed to improve English language skills of young Jordanians. It is envisioned that these curriculum modules can be used in other countries in the region.

## V. Current and Future DFI Efforts in Jordan

Through the current year and into the next one, USAID will continue to implement programs consistent within the framework of the Digital Freedom Initiative. ICT development in Jordan will focus on the following goals:

- To utilize international best practices and technologies to assist Jordan in achieving its goal of becoming a knowledge-based economy and society
- To accelerate e-government implementation and streamline government operations
- To build capacity at the TRC to foster competition and investment in Jordan's telecommunications sector
- To strengthen ICT partners and promote ICT opportunities locally, regionally and internationally
- To use ICT in fostering the social and economic development of Jordan by encouraging outreach and innovation

Activities designed to meet these goals are listed below. They are grouped according to the three DFI objectives.

### Volunteerism

- o *NetCorps*: USAID will support the establishment of NetCorps-Jordan as a standalone NGO in Jordan. This will allow it to more easily coordinate with other regional NetCorps activities in Egypt and Lebanon.
- o *Jordan-US Business Partnership*: During 2005, the USAID will mobilize another half dozen volunteer executives to assist business associations and SMEs to incorporate ICT into their operations.
- o *Jordan-US Business Partnership*: USAID will reinstate the *GeekCorps* program in Jordan after an absence due to regional conflict. It is anticipated that ten new volunteers will arrive in 2005 to assist SMEs, associations, and entrepreneurs with their use of ICT in their businesses.
- o *INJAZ*: The USAID-funded INJAZ-Jordan program will expand its work in the public school system to increase the number of participating private sector volunteers, schools, and students by 20% each semester. Their use of ICT in the Jordanian public school system curriculum is an important factor in the spread of ICT throughout the private and public sectors.

- *INJAZ-Arabia*: USAID is managing the rollout of Jordan's INJAZ program to twelve other Middle East and North Africa countries. Jordan's successful experience in harnessing the spirit of Jordanian volunteerism for the support of entrepreneurship education activities will be applied to 12 other countries in the region through a State/MEPI grant to Junior Achievement Worldwide. The Jordanian program will be used a resource for the broader regional program.

#### Legal and regulatory reform

- *Fixed line liberalization*: USAID is supporting the TRC to develop a comprehensive licensing and regulatory framework for the opening of the fixed telecommunications services market. USAID has already assisted the TRC to publish a statement describing the overall liberalization framework and a public consultation document on the licensing framework. Further consultations will be developed by the TRC, with USAID's assistance, on specific regulatory details. USAID's efforts are focused on helping the TRC meet the government's goal of being ready to accept applications for new services by end of 2004.
- *Municipality Business Process Re-engineering (BPR)*: USAID is engaged in a business process re-engineering (BPR) project in two pilot municipalities, Greater Amman (GAM) and outside Amman. The goal is to streamline the licensing activities at the two Municipalities.
- *Jordan ICT Investment Promotion Strategy*: USAID will continue to provide specialized technical assistance to the MoICT, the Jordan Investment Board and INT@J to evaluate Jordan's competitive position in the ICT sector. This work includes the drafting of a three-year investment promotion strategy. An implementation plan for the ICT export and investment strategy will follow.

#### Leveraging Existing Information and Communications Infrastructure to Promote Economic Growth

- *Central Bank of Jordan (CBJ) Wide Area Network (WAN)*: USAID is working with the Central Bank of Jordan (CBJ) to establish a secure communications infrastructure between the Central Bank and the commercial banks in the country.
- *Trade and Investment Information System*: USAID is developing a trade and investment information system, which will allow multiple government agencies and ministries to use and report on trade and investment data more accurately.
- *E-Village E-Services Center*: USAID is supporting the establishment of an e-services center in a small village outside of Madaba. The project involves the following activities:
  - Conducting an e-services market demand study for Jordan's private and public sectors as well as a gap analysis between the market demand and the villagers capabilities;

- Renovating two Ottoman-style stone houses for use as an e-services center while retaining the traditional architectural style;
  - Procuring and installing the required ICT equipment and a wireless network for the center;
  - Supporting the commercial operation of the e-services center through a private ICT firm in Jordan.
- *E-Government Informational Portal:* In cooperation with five local ICT firms and MoICT, USAID has been working on developing the first phase of a national e-government information portal which will offer information about government to government (G2G), government to business (G2B), and government to citizen (G2C) services.
  - *Automating Jordan's Civil Court System:* In cooperation with the Government of Jordan's Ministry of Justice, USAID is supporting a multi-year effort to fully automate all of Jordan's 73 courthouses. Under this initiative, USAID will support the development of an automated case management system, provide training to judges and court staff, and provide limited IT equipment. This program will improve transparency in the court system and decrease the level of petty corruption that sometimes accompanies the current non-automated or "paper" system. Installation of the automatic case management system in the Palace of Justice in Amman has already been completed.
  - *TRC ICT Support:* USAID is assisting the TRC by providing ICT resources, equipment and training to improve the TRC's customer service.
  - *Knowledge Station Assistance:* Continuing the work already completed with the Knowledge Stations, USAID will initiate activities targeting the long-term sustainability of the centers, including the following:
    - Mother and Child Program (software development)
    - ICT and Community-based Tourism Program
    - ICT and Enterprise Linkages Program
  - *ICT & Investment Promotion:* AZEM offers the Business Development and Marketing staff at the Aqaba Special Economic Zone Authority (ASEZA) two training opportunities designed to build local capacity using modern ICT techniques. The first addressed the need to employ advanced IT tools to produce sophisticated, innovative presentations. The second introduced the staff to the vast Internet information base to educate them on ways that will enable them to collect pertinent information on Aqaba's special competitive advantages vis-à-vis those of neighboring countries.
  - *ICT and Business Process Re-engineering:* AZEM provides technical assistance to the Customs Administration at ASEZA to automate its complex post-audit inspections of merchandise that entered the Economic Zone duty free. Before automation, AZEM will examine the process by performing a gap

analysis to modify the process in line with best world practice so that the automated process is efficient and streamlined.

## VI. DFI Jordan Performance Monitoring

Result	Ind. No.	Indicator Type	Title	Baseline Value (2002)	Target Value (2006)
Increased competition in telephony sector	01	Quantitative	Number of private operators licensed for fixed systems	1	2
	02	Quantitative	Number of private operators licensed for mobile systems	2	3
Increased access to telephone and Internet services	01	Quantitative	Annual increase in number of mobile phone subscribers	865,000	1,955,000
	02	Quantitative	Annual increase in number of Internet subscribers	68,000	115,000
Regional e-government leader	01	Quantitative	Number of e-government projects initiated and completed	0	9
	02	Quantitative	Number of e-Government projects executed through the five IQC firms	0	7
Increased ICT-related jobs	01	Quantitative	Number of ICT-related jobs	6,000	14,535
Increased ICT-related sales	01	Quantitative	US\$ value of ICT-related sales (domestic revenues)	\$130 million	\$424,569,600
Increased ICT-related exports	01	Quantitative	US\$ value of ICT-related exports (software)	\$40 million	\$100,647,563
Increased ICT-related foreign direct investment	01	Quantitative	US\$ value of ICT-related foreign direct investment	\$60 million	\$116,127,000
Financial viability of int@j	01	Quantitative	Percentage of operating costs covered by revenues other than member dues	55.4%	74.93%
Increased access to Internet/IT applications	01	Quantitative	Number of community IT centers and Internet access sites	45	100

<b>Result</b>	<b>Ind. No.</b>	<b>Indicator Type</b>	<b>Title</b>	<b>Baseline Value (2002)</b>	<b>Target Value (2006)</b>
	02	Quantitative	Number of computers available in community IT centers	450	1,000
	03	Quantitative	Annual number of users of IT centers/services	4,500	24,000
Increased participation of women in ICT sector	01	Quantitative	Annual percentage increase of number of women participating in ICT sector	22%	32%
Increased size of ICT companies	01	Quantitative	Number of employees in companies with more focused objectives, attracting local and foreign investments	32	72
Representatives of int@j member	01	Quantitative	Number of board, committee members and non-subsidized attendees participating in events	390	492