

# **External Review of the Institute for Connectivity in the Americas**

## Final Report

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## Executive Summary

The Institute for Connectivity in the Americas (ICA) was launched in 2001 at the Third Summit of the Americas in Quebec City as a Canadian contribution to the Summit goals of strengthening democracy, creating prosperity, and realizing human potential. This external review examines the performance of ICA, a corporate project at the International Development Research Centre, from its launch in 2001 to early 2005. It assesses ICA's progress towards aims and objectives, the results it achieved, its general strengths and weaknesses, and the composition and functioning of the ICA model.

The evaluation is based on the review of project and program documentation, case studies of five ICA projects that included field visits to meet with project stakeholders, observation of ICA events, and interviews with more than 70 stakeholders and observers of the Institute.

### Objectives and aims

The external review finds that ICA has made tangible progress towards its mission of "promoting and implementing innovative use of information and communication technologies (ICT) for development in the Americas" in the context of a broader and more ambitious mandate to support Summit objectives and priority themes.

While ICA's higher order objectives and aims, related to its mandate, have remained constant since 2001, there have been changes in several aspects of the initial concept proposed for ICA, primarily in the intention to devolve the Institute into an autonomous, hemispheric organization; the intention to raise institutional funding from other partners; and the intention to create a formalized network of affiliates as part of its structure. ICA has developed as a Canadian initiative integrated into IDRC's ICT4D program area and has retained its regional character, as evidenced in its recent incorporation as a regional partner of the Summit of the Americas process. Another element of the origins of ICA was the intention to build on the success and experience of Canada. The review finds that ICA has followed through with this intention. Most ICA projects under review integrate Canadian experience or include a "bounce back" to Canada.

ICA was created with a broad set of themes to guide its work. These themes have characterized ICA programming to a greater or less extent during the first phase, with the possible exception of the proposed emphasis on youth. ICA's programmatic objectives, blurred at the beginning, have become sharper partly through its actions. An ICA model has emerged, but the frameworks used to describe ICA's work have not yet included clearly stated objectives and outcomes for the program.

Learning has been integrated in ICA's work through the use of consultations, on-line discussions, feedback mechanisms, such as the Hemispheric Advisory Board, and more informal channels. In this phase, evaluation has not been widely used in program development and it is one of the areas that should be strengthened in a second phase of ICA.

## Results

ICA results are assessed within the broader context of establishing and developing the Institute. The study recognizes the time, effort, and resources required to take ICA from a concept to its operations on the ground, which contemplated a regional consultation process and the establishment of advisory bodies to the Institute, among other set-up tasks.

ICA has developed outputs in each of its program categories (e-strategies, knowledge networking, and innovation and demonstration) that are valued for their technical quality and relevance to stakeholders. These outputs include the Network of E-government leaders in LAC, the LAC ICT project database, @Campus Mexico, the Computer for Schools project, the Wi-Fi pilot projects, and the recently launched flagship project of E-Link Americas, among others. Moreover, there is evidence that these outputs are contributing to changes at the outcome level particularly in the development of new networks and partnerships, broadened policy horizons, and improved access to the Internet of targeted communities. Examples of policy change include the emerging improvements in e-government plans and policies (as a result of e-Gov project) and new policy and legislative frameworks to facilitate implementation of Computers for Schools initiatives in some countries (a contribution of the CFS project). Positive effects on communities are also evident in several of the Wi-Fi pilots reviewed.

There are other aspects of ICA's work that are recognized as results of this first phase. One of these is ICA's use of partnerships—often with multiple stakeholders—to fund and implement most of the projects that we reviewed. Another is ICA's capacity to leverage additional financial resources. The financial data on funds committed illustrates success in leveraging funds at the project level, where every dollar invested by ICA has leveraged two dollars from other project partners. In addition to its projects, ICA has developed a common communications platform—based on its web site, virtual groups, and newsletters—that has contributed to increased regional collaboration and virtual learning.

The review also notes weaknesses that relate to the Institute's results. One of them is the lack of a clear program framework and strategy (with articulated outcomes) for managing, evaluating, and reporting on its performance to key stakeholders. A second one is the lack of an explicit and systematic way of integrating gender equality concerns into its programming. Although gender equality is not included as an explicit objective for ICA in its founding documents, it is an area that warrants greater emphasis from ICA in a second phase.

## Strengths and weaknesses in the strategy and approach

The "start-up" strategy of ICA led to a large and diverse portfolio of projects. While this represented a spread of resources, it also allowed ICA to create a constituency of regional and sector stakeholders and helped to lay the foundation for the "maturation" strategy that moves ICA towards more large scale and truly regional projects. Although it is in early stages, this maturation strategy that is characterized by larger budgets and leveraging power, more complex financing and implementation arrangements, greater risk and potential for impact, may pose new challenges to ICA.

ICA is recognized for strengths in several areas, particularly its capacity to blend projects with single and multiple stakeholders and its role as a matchmaker for institutions and sectors. Its ability to embrace a regional approach to programming is also highly valued. Among the weaknesses noted is that ICA's niche is still unclear to many stakeholders. Interviewees note that while ICA has an operational strategy, it appears to lack a macro strategy for its work.

The evaluation team considers that the Institute's programming is relevant given the current state of the field and the realities in LAC. ICA has also remained relevant to the process and themes of the Summit of the Americas during this period. Country governments value ICA's different roles and some of the major governments in the region—Argentina, Brazil, Chile, and Mexico—are partners in ICA projects. In the case of civil society, the perceptions of some groups suggest a potential gap between how ICA is perceived and what it is doing in practice. The private sector has had a small, but growing role in ICA, which has yet to be explicitly defined in ICA strategy. Recent ICA initiatives such as IT Access for Everyone and Aloo.com foreshadow new levels of private sector engagement.

Multilateral organizations, both regional and international, have come to recognize the important and complementary role that ICA can play in ICT4D in the region. They appreciate ICA's capacity to identify the needs and reach out to micro-stakeholders and, particularly, to launch horizontal meso-level projects. The ICA is also relevant to the other founding Canadian government departments. While these departments have expressed sound support for ICA's work, they note concerns about its strategy, vision, and the ICA model. The departments have agreed in correspondence that a second generation of ICA should be pursued, subject to certain conditions (such as a positive evaluation that leads to an updated mandate).

### **Composition and functioning of the ICA Model**

The ICA model has brought new opportunities and challenges for IDRC. Although the process of integrating ICA into IDRC has not been seamless, most IDRC/ICA stakeholders note mutual benefits to the relationship. The concerns that are raised, generally around administrative procedures, do not appear to have influenced ICA's effectiveness, but they do reflect on its organizational culture. The results of "twinning" with Pan Americas are emerging on a project basis, in the identification of areas of common ground, and in more intangible ways. There is a need, however, to further consolidate synergies between the programs, address the identity and branding needs of each program, and more clearly explain the relationship between them for key external stakeholders in Canada and in the region.

IDRC's Board of Governors and senior management have been responsible for the governance of ICA, as per their commitment in the submission to the Treasury Board. Although the Institute may operate like other programs in the ICT4D area, several other components are built in to the program model, including the Hemispheric Advisory Board (HAB) and the Working Group of the founding government departments. The study identifies several strengths in the HAB as a component in the ICA model, but also finds that it may be an underutilized resource. Some of the factors that limit its potential contribution to ICA include its composition, its understanding of its role, and the mechanisms that are used for engaging Board Members.

The ICA model has also brought sustained opportunities for IDRC to engage in integrated discussions with other government department and it has valued the guidance provided by the Working Group. The members of Working Group, however, express limitations to the nature of the relationship that has evolved with ICA, in which their expectations about participation in strategic decision-making have not been met. The frequent rotation of members of the group has also affected the quality of the relationship. In the first phase, these issues have not prevented ICA from generating valuable results. The limitations illustrate the challenges inherent in managing the relationships and expectations of diverse constituencies and point to some weaknesses in the ways that ICA communicates with these stakeholders.

In general, the ICA team is recognized for its technical expertise and capacity. The two principal weaknesses noted in the team's functioning are: inconsistencies in internal communications and information management and the fact that the team is overextended, with E-Link Americas drawing considerable staff and especially management time in recent months.

### **Conclusion and perspectives on the way forward**

The report concludes with a reflection on the big picture for ICA performance. The \$20 million investment has been small in relation to the challenge of the mandate and the demands and expectations of ICA constituents. It seems, however, that this level of resources has been sufficient, at least in the first phase, to achieve initial project results and the establishment of a new programming model. While there are ways in which ICA can improve its performance, the foundations for broader impact have been laid.

A second phase will raise the bar in terms of the expectations and, in this respect, the final section summarizes different perspectives on vision and institutional arrangements for ICA in looking towards a second phase of funding. It also presents some of the ideas that were shared with the evaluation team on future directions for programming. The section concludes with reflections on the knowledge economy, identifying the potential implications for ICA as it becomes involved in this area.

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## 1. Introduction

### 1.1 Background

In April 2001, Canada's Prime Minister announced the creation of the Institute for Connectivity in the Americas (ICA) as a Canadian contribution to the common goals of strengthening democracy, creating prosperity, and realizing human potential supported by hemispheric leaders at the 2001 Summit of the Americas. This report examines the performance of the ICA, a corporate project at the International Development Research Centre, during the period 2001 to 2005.

IDRC commissioned the external review of ICA as one of four evaluations of the Centre's programs and corporate projects in Information and Communications Technologies for development (ICT4D) to be completed in 2005. The intended users of the review are the IDRC Board and Program and Partnership Branch (PPB) management, as well as ICA management and staff. As described in the Terms of Reference, IDRC's Board and management will use the external reviews to support the Centre's system for accountability for program results; inform decisions aimed at future programming directions; and provide input for program learning and improvement.<sup>1</sup>

The basic purpose of the external review of ICA is to improve program effectiveness. The objectives of the evaluation are to:

- 1) Assess the extent to which the ICA is meeting its objectives and aims, as set out in the proposal that establishes the Institute, and identify any evolution in its objectives;
- 2) Document the results of the ICA (i.e. outputs, reach and outcomes) and analyze their influence;
- 3) Offer reflections on the strengths and weaknesses of the Institute's thematic approach and strategies in relation to the current state of the field(s) in which it is active;
- 4) Assess the composition and functioning of the Institute as it relates to its ability to meet the ICA objectives.

Other elements in the context for this evaluation include the intention for Canada to report back on the progress of the Institute at the Fourth Summit of the Americas in November 2005 and the preparation and submission of a second-phase funding request for ICA to the Treasury Board of Canada. It is anticipated that the evaluation would be of some utility to this process and to the other Canadian stakeholders that have been involved with ICA since its inception. In addition, the review is expected to stimulate dialogues among stakeholders that would contribute to the evaluative capacity of those involved.

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<sup>1</sup> A copy of the full Terms of Reference is provided in Appendix 2.

This introduction is followed by a brief discussion on methodology and an overview of the origins of ICA. The following sections will present the team's findings as they relate to the primary objectives of the review:

- Section 2 discusses the progress towards ICA objectives, and describes the evolution of the objectives and aims, and the original concept of ICA in the 2001-2005 period;
- Section 3 provides an assessment of the progress towards results, with a review of the outputs and the emerging outcomes from ICA's work;
- Section 4 turns to some of the strengths and weaknesses in ICA's approach and strategy, including its relevance in the current state of the field and to different stakeholders and constituencies;
- Section 5 addresses the composition and functioning objective, by reflecting on the different organizational elements of the ICA model;
- Section 6 provides concluding remarks and highlights remaining issues and questions about ICA and the related perspectives on the way forward that could be of interest to management.

## **1.2 Methodology**

Three evaluators were commissioned to carry out the external review of ICA, one based in Canada, another in Peru, and a third in Brazil. The biographies of the team members are presented in Appendix 3. The team used a mix of primary and secondary data sources. The data collection methods included document review, individual and group interviews, observation, and field visits. Data collection began in October 2004, with most activities concentrated between the months of January and March 2005. The report incorporates the valuable feedback provided by IDRC and other stakeholders on the draft document.

### **Document Review**

The team reviewed a wide range of documents related to the case study projects, other ICA projects, program and IDRC documentation, and issues in ICT4D. A list of documents consulted and reviewed is presented in Appendix 4.

### **Interviews**

Semi-structured, face-to-face and phone interviews were conducted with ICA stakeholders in IDRC, the other founding Canadian government partners (Canadian International Development Agency, Foreign Affairs Canada, and Industry Canada), the Hemispheric Advisory Board, multilateral organizations involved in ICT4Ds, and ICA project partners. More than 70 people were consulted during the review process. The list of people interviewed, which was developed with the input of the ICA team, is provided in Appendix 5.

## Observation

The team members were also able to engage in participant observation in the context of the field missions and as part of a number of ICA and ICT4D activities including: the ICT4D All-staff meeting in October 2004; the Canadian launch of @Campus Mexico in October 2004; the meeting of the Hemispheric Advisory Board in Chile in January, 2005; and the Computer for Schools workshop in Jamaica in February 2005.

### Identifying Case Studies:

#### Additional Variables considered

- a geographical balance that reflects the ICA portfolio
- amount of the investment
- type of Lead Institution/Partner
- potential to demonstrate leveraging
- linkages with Canadian partners
- illustration of scalability
- twinning with Pan Americas

## Case studies and field visits

The team conducted a more in-depth review of a purposeful sample of five projects that were selected as stratified typical cases of ICA's programming. The projects were selected to illustrate ICA's work in the three focus areas of knowledge networking, innovation/demonstration, and e-strategies.

Case studies involved project document review and field visits to interview stakeholders involved in the project and observe the project in implementation. The only exception to this was the case study of the Caribbean consultations, which was conducted by using email and phone interviews. Whenever possible, the project case studies analyzed the other outputs (ICA case studies, briefs, etc.) that related to the project. Each member of the review team took on the responsibility for one to two cases, as noted below.

### Exhibit 1.1 List of Project Case Studies

PROJECT NAME	NUMBER	RESPONSIBLE REVIEWER
Wi-Fi Pilots for Development in LAC	102177	JT
Supporting the Development of E-government development in LAC	101929	AB
Computers for Schools	101920	KR
ICT for Competitiveness of MSMEs in Central America	102322	JT
ICA Consultations and Follow-up – Caribbean	101461	AB

## Limitations to the review

There are several limitations to the review. One of them, recognized at the outset, is the fact that many of ICA projects are in early stages of implementation. This is especially true for several of the flagship projects that are considered to be representative of certain types of programming. A second limitation, which emerges in the discussions about ICA results, is that our design included only five project case studies, thus limiting the evidence for discussing the types of outcomes that are emerging from ICA's work. In order to compensate for this shortfall, the team reviewed documentation of a second group of projects (such as @Campus Mexico, E-Link, Virtual Parliament of the Americas) although many of them are also in initial stages of implementation. A final but crucial limitation is the absence of clear outcome statements for ICA that would provide a basis for judgment on ICA's results.

### 1.3 Origins of the ICA

Between April 20-22, 2001, Canada hosted the Third Summit of the Americas, a meeting of the Western Hemisphere's 34 democratically elected Heads of State and Government. At this Summit, held in Quebec City, the hemispheric leaders endorsed the principles and leading objectives of connectivity for the region in a special statement on "Connecting the Americas." Their statement also foreshadowed the need to translate political commitment into action:

"To meet the new challenges of the transition towards the knowledge-based society, we have proposed measures in our Action Plan to enable all those in our societies to use information and communications technologies to build networks, share ideas and establish more effective partnerships with government and the private sector that will enable them to participate more fully in the political, social and economic development of their respective societies."<sup>2</sup>

In this context, the Government of Canada announced the ICA as a way of "putting the Summit Agenda into action." Reflecting on the origins of the Institute, stakeholders noted the positive combination of positioning, financial commitment, political will, timing, and a "good idea" that motivated the Government of Canada to launch ICA. It gave Canada clear leadership in an area where it was increasingly being recognized internationally.

Presented as a Canadian contribution to the common goals of the Summit, the ICA was to build "on the success and experience of the Connecting Canadians strategy and Canada's international development and ICT programs."<sup>3</sup> The mandate of the Institute was to support the Summit themes of strengthening democracy, creating prosperity, and realizing human potential through the use of ICT. In order to fulfil its mandate, the ICA would promote partnerships, knowledge sharing and capacity building to help identify, adapt and implement the innovative application of information and communication technologies in the Americas.

The official announcement of the Institute proposed a home, structure, and a funding strategy for ICA. Located at IDRC in Ottawa, it would be guided by a Hemispheric Advisory Board made up of representatives from governments, non-governmental organizations, business sectors, and academic communities.<sup>4</sup> Canada would make an initial contribution of \$20 million dollars and the Institute would seek contributions for complementary funding and partnerships from other governments, foundations, multilateral and regional institutions, as well as other groups.

With these statements, the idea of the Institute was launched. Several stakeholders were involved in shaping the idea and its subsequent translation into practice. In addition to IDRC, where the ICA was established, these stakeholders include the Canadian International Development Agency (CIDA), Foreign Affairs Canada (FAC, formerly the Department of Foreign Affairs and International Trade), and Industry Canada. In subsequent sections of the report, these are referred to as the founding Canadian government partners.<sup>5</sup>

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<sup>2</sup> "Connecting the Americas," Summit of the Americas, 2001, Final Declarations, April 22, 2001. p. 2

<sup>3</sup> "The Institute for Connectivity in the Americas- Putting the Summit Agenda into Action", Summit of the Americas 2001, Final Declarations, April 22.

<sup>4</sup> "The Institute for Connectivity in the Americas- Putting the Summit Agenda into Action", Summit of the Americas 2001, Final Declarations, April 22.

<sup>5</sup> It is important to distinguish this set of institutional stakeholders from other ICA partners (multilateral organizations such as OAS, World Bank, IDB, etc.)

## **2. Findings: ICA Aims and Objectives**

This section presents the team's findings on ICA's aims and objectives. It provides the team's assessment of progress towards these objectives and documents changes in objectives or other features of the original concept for the Institute as expressed in its establishment documents.

### **2.1 Overall Assessment**

The external review finds that ICA has made tangible progress towards its stated mission of "promoting and implementing innovative use of information and communication technologies (ICT) for development in the Americas" in the context of a broader and more ambitious mandate to support Summit objectives and priority themes.

ICA's higher order objectives and aims, related to its mandate, have remained constant between 2001-2005. Over this same period of time, there have been changes in several aspects of the initial concept proposed for ICA, primarily in the intention to devolve the Institute into an autonomous, hemispheric organization; the intention to raise institutional funding from other partners; and the intention to create a formalized network of affiliates as part of its structure. ICA has developed as a Canadian initiative integrated into IDRC's ICT4D program area, while at the same time retaining its regional character. The regional character of the Institute has been recognized by the fact that it is now one of the regional partners of the Summit of the Americas process, a group that is composed of regional and multilateral organizations.

Another element of the origins of ICA was the intention to build on the success and experience of Canada. The review finds that ICA has followed through with this intention. Most ICA projects under review integrate Canadian experience or include a "bounce back" to Canada. ICA has done this in a number of ways, without excluding possibilities for horizontal cooperation among countries in the region.

ICA was created with a broad set of themes to guide its work. These themes have characterized ICA programming to a greater or less extent during the first phase, with the possible exception of the proposed emphasis on youth. ICA's programmatic objectives, blurred at the beginning, have become sharper partly through its actions. An ICA programming model has emerged, but the frameworks used to describe ICA's work have not yet included clearly stated objectives and outcomes for the program.

Learning has been integrated in ICA's work through the use of consultations, on-line discussions, feedback mechanisms, such as the Hemispheric Advisory Board, and more informal channels. In this phase, evaluation has not been widely used in program development and learning and it is one of the areas that should be strengthened in a second phase.

### **2.2 Evolution of Objectives and Concept**

This section provides an overview of the concept and objectives of ICA initially proposed in founding documents and comments on how they have evolved. The founding documents refer to the September 2001 Treasury Board submission and the 2002 paper entitled "Establishment of Institute for Connectivity in the Americas."

## Meeting higher order aims and objectives

ICA's mandate of supporting the Summit themes of strengthening democracy, creating prosperity and realizing human potential through the use of information and communication technology has remained consistent over time. In the "ICA Overview", a one-page brochure, these themes are now captured in the vision statement for the Institute: "ICA's vision is that by connecting the people of the Americas, we will strengthen democracy, create prosperity, and help realize the region's human potential." In the review of documentation and in the interview process, it is clear that ICA's higher order values, objectives and aims have remained steady since its creation.

The founding documents present a variety of broad directional elements (e.g., priority themes, Summit goals) for the program to be developed by ICA. These were subsequently articulated in a mission statement, initially defined in collaboration with the founding government departments and the HAB in 2002.<sup>6</sup> ICA also undertook a series of regional consultations in 2002 and 2003 to identify regional stakeholder requirements and integrate these into its overall aims. Since then, it has remained steadfast to its mission, defined as: To promote and implement innovative use of information and communication technologies (ICT) for development in the Americas, by supporting partnerships, knowledge creation, and capacity building.<sup>7</sup>

The team has found, that in general, ICA has made tangible progress towards this overall objective. Our assessment is based on the findings on emerging results of ICA's work, which are reported in Section 3 of the report.

## From hemispheric organization to a Canadian regional initiative

ICA was conceived as "a regional network of practitioners, experts and activists" in the field of ICT4D throughout the hemisphere. According to the initial program proposal, several hosts and sponsoring institutions would be identified and selected in the different regions to become ICA affiliates. Contribution agreements would be established with each of these "retail outlets", that would provide the services of network advisor. The approach was explicitly endorsed by the HAB<sup>8</sup>. Although the formal network and geographic presence did not materialize (for reasons that also relate to funding and devolution of ICA), the review has noted the existence of a more loosely organized network of practitioners and activists in the region.

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<sup>6</sup> Statements developed at Working Group meeting facilitated by external consultants on March 1, 2002.

<sup>7</sup> Power Point Presentation on ICA, October 2004; a slightly different expression of the mission is found in the ICA Overview brochure.

<sup>8</sup> During its first meeting, held in May 2002, the HAB "supported the establishment of the ICA regional network through regional affiliates." A few months later, during its second meeting, the HAB further stated that "ICA will reach out to the region through the regional affiliates, for an increased presence in the region." Summary Notes, First and Second HAB meetings.

On the partnership and funding arrangements for ICA, the establishment proposal states that "the Institute will actively seek contributions for complementary funding and partnerships from other governments, foundations, multilateral and regional institutions, including the Organization of American States, the Inter-American Development Bank, the Pan-American Health Organization, the World Bank and the Economic Commission for Latin America and the Caribbean, and others in the private sector and civil society."<sup>9</sup> It was expected that a group of funding institutions would be established, "to strengthen their cooperation in joint funding initiatives for the broader hemisphere."<sup>10</sup>

With the growing contribution and involvement of hemispheric and global stakeholders and partners, it was envisioned that the "devolution of the Institute" into an independent, hemispheric entity would take place after the first phase of the ICA mandate.

With respect to these aspects of ICA, there have been significant changes in this first phase. For instance, the notion of ICA as a hemispheric institution that could spin-off from IDRC after its incubation period has been largely abandoned.<sup>11</sup> The ICA Working Group made the decision that ICA should not be spun off largely because it would no longer be a Canadian institution. Hence, retaining the Canadian brand was an important factor. At the same time, some stakeholders recognized that institutional funding from external sources would be difficult to obtain given that "bureaucracies tend not to fund other bureaucracies." In the end, the only source of institutional funding has continued to be Canadian.<sup>12</sup> The development of ICA as a Canadian institute, rather than the "stand alone" and autonomous initiative originally envisioned, was communicated by IDRC to Treasury Board in a letter dated April 23, 2004, with the advice and consent of the other founding Canadian government partners. One interviewee noted that the idea of "creating ICA as something that could spin-off and be co-funded was more optimistic than realistic."

Although most stakeholders note that the Hemispheric-Canadian organizational shift did not affect ICA's programming, for many stakeholders it continues to raise a question of identity: is ICA a Canadian or a hemispheric entity? External and internal stakeholders offer different perspectives, depending on their position and the context in which they engage or relate with ICA. Regardless of the Institute's identity, it is clear that the ICA has developed as an initiative that operates in and serves the region. The regional character of ICA is recognized by the fact that the Institute is now one of the regional partners of the Summit of the Americas process, a group that is constituted only by regional and multilateral organizations.

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<sup>9</sup> "Program Proposal: Establishment of the Institute for the Connectivity in the Americas" (p.8)

<sup>10</sup> Summary notes, second HAB meeting.

<sup>11</sup> It has been noted, however, that this decision is not "cast in stone" so that if there were a clear rationale for doing it in the future, that would also be a possible result. "It is just a matter of timing", observed one of ICA's staff members.

<sup>12</sup> Project funding has been leveraged from other sources and is discussed in Section 3.

A key element in the concept of ICA since its creation has been its focus on regional cooperation and collaboration. Rather than supporting national projects, ICA was created to coordinate regional, sub-regional, and “regionalizable” initiatives. Its valued added was defined as supporting and promoting coordinated partnerships, acting as a liaison among different initiatives and actors working in the same issues or region. The evidence emerging from the review (in subsequent sections of the report) suggests that this role has been strengthened over time.

### Establishing themes or categories of focus for the ICA program

Given the broad scope of its mandate, ICA objectives and priorities have also been broad and open to interpretation. The proposal to establish ICA and the submission to Treasury Board identified several themes that would be the focus of the Institute’s work. These are presented in Exhibit 2.1. Based on the team’s review of projects and assessment of emerging results (reported in Section 3), these themes have characterized ICA programming to a greater or lesser extent over this first phase, with the possible exception of the proposed emphasis on youth.

**Exhibit 2.1 Proposed thematic focus of ICA**

THEMATIC AREA	EVALUATORS’ COMMENT
Bringing ICT skills, experiences and networking exchanges to <i>youth</i> ;	A focus on youth is not evident in ICA portfolio
<i>Assisting communities</i> , and regions seeking to overcome digital divide issues to benefit from greater Hemispheric contact, networking and applied research that can accelerate participation in the Information Economy	Becoming evident in the Wi-Fi pilot projects and other initiatives
<i>Linking institutions</i> within the hemisphere that are addressing digital divide issues through multi-stakeholder involvement (private sector, civil society, public agencies, and applied research organizations)	One of the core characteristics of the portfolio.
Accelerating <i>e-governance</i> initiatives in health, education and democratic governance through pilot and networking initiatives	Now taking off, particularly through the RedGealc project.

Source: Proposal for the “Establishment of Institute for Connectivity in the Americas”, ICA, April 2002.

At the same time, the establishment proposal outlines another set of categories for ICA’s programming:

- 1) Innovation and demonstration, which includes two components: a) small grants competition, aimed at new initiatives that are consistent with the values and the mandate of the Summit, and b) strategic innovations, understood as a proactive approach to identifying scalable regional projects arising from fieldwork and networking.
- 2) Knowledge networking and exchange. Activities in this area would aim at strengthening networking, helping identify key ICT actors and initiatives in the region, supporting leadership exchange and learning.

- 3) Connectivity policies, strategies and successes. Support in this area would be directed to practical assessments, evaluation, monitoring, and dissemination activities in the region with a focus on enhancing the quality of decision-making in the field of connectivity strategies and policies. (This category came to be known as “e-strategies.”)

These three categories took hold, are now referred to as the “ICA model,” and have been used for setting up the budget structure of ICA.<sup>13</sup> Today, they encompass a wide variety of initiatives and activities, a natural evolution given the broad nature of the mandate and mission that were given to ICA. More recently, the ICA has begun presenting its work according to sector or thematic areas, such as education, governance, health, education and capacity building, etc. Over time, several frameworks have emerged to describe ICA's work, but they have not yet included clearly stated objectives and outcomes for the program.

### **Building on the success and experience of Canada**

Another element of the origins of ICA was the intention to build on the success and experience of Canada. The establishment proposal notes that the ICA will learn from the *Connecting Canadians* themes in programs such as Schoolnet, Community Access Program, and Smart Communities. It is also clear that ICA would not “carbon-copy” approaches, but it would develop related responses to digital divide issues that are “rooted in local experience and develop local skills and capacity.”<sup>14</sup>

The review finds that ICA has followed through with this intention, although perhaps in more diverse ways than originally envisioned. It has also introduced “creative tensions” into projects, as Program Officers seek ways of sharing Canada's way of doing things, without excluding possibilities for horizontal cooperation across countries in the region. Most of the ICA projects under review integrate Canadian experience, or include a “bounce back” to Canada, in one of four ways:

- 1) sharing Canadian models and experiences (Connecting Canadians);
- 2) providing Canadian expert advice;
- 3) using Canadian technology;
- 4) facilitating exchanges of the Canadian and Latin American experience.

The Computer for Schools project is a classic example of the sharing of a Canadian model, which is more fully described later in this report. Other projects, however, integrate Canadian experience alongside the experience of other countries in the region. Some examples include the online forums on E-government best practices, which portrayed the experience of Canada, Chile and Brazil and the MSMEs project that integrates a seminar in Ottawa in which Canadian and Central American experts focus on Canadian and Central American small and medium size-enterprises (SMEs) using information and communication technologies (ICTs) to improve their productivity and competitiveness. Another way that has been tested is to incorporate Canadian technology firms as partners in Wi-Fi pilots and E-Link Americas. Canadian expert advice has also been shared in @Campus Mexico, which draws on the expertise of Canada's Public Service.

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<sup>13</sup> The initial allocation to each of these categories was CAD 2.5, 2.5 and 1.6 million respectively (37.9%, 37.9% and 24.2%). Some staff members believe that the three main categories referred to above, are no longer as useful as a way of thinking and organizing ICA's work.

<sup>14</sup> ICA, Establishment of the Institute for Connectivity in the Americas, April 2002, p. 5.

## 2.3 Learning and Evaluation

The Terms of Reference for the review also asked the evaluation team to document how the ICA is undertaking and using evaluation to inform its work. The evaluators' comments in this section first address the broader process of learning in ICA, and then the specifics of evaluation as one component in that process.

As noted by one member of the ICA team, learning by doing is an essential mantra of ICT innovation that ICA subscribes to. In addition to the informal channels used by staff (e.g. staff meetings, e-mail, and other forums), the Institute built in a number of learning and feedback mechanisms, beginning with the four sub-regional consultations with stakeholder groups carried out in 2002 and 2003 and continuing with the on-line discussion groups that it has supported over the past 3 years. All of these initiatives have been geared to learning about what is required to respond to the real needs of the region. Two additional feedback mechanisms were built into the ICA model – the Inter-Departmental Working Group and the Hemispheric Advisory Board. ICA projects may also include mechanisms that foster learning. The learning dimension is cited as a particular strength of the Wi-Fi pilots in Brazil, for example, where one respondent notes that “implementation of the projects brought together different actors who began to learn from each other and develop some positive synergies.”

Evaluation is another component of the learning process. Due to the short time in which the ICA program has been operating and the fact that the average longevity of a project is 2 years, few ICA projects have been evaluated.<sup>15</sup> Nonetheless, ICA has evaluated activities within projects (such as the CFS workshops) and has assessed regional consultations through consultant final reports and lessons learned. Although we did not see syntheses of these kinds of reports across projects, it is clear that cross-project learning has taken place, for example, on the importance of contracting a facilitator to drive the consolidation of virtual networks.

ICA has also built in monitoring and evaluation into the design of projects, particularly the Wi-Fi pilot projects. The evaluation team's review of some of the Wi-Fi pilots, however, suggests that monitoring and evaluation components need to be strengthened in these projects. (For further discussion on the pilots, please refer to the case study in Appendix 6.)

Some interviewees, familiar with IDRC procedures, noted that Project Completion Reports (PCR) provide additional opportunities for critical reflection about a project's performance and lessons learned. Staff indicate that project completion reports are now underway for several of the ICA projects with budgets of over \$150,000.

A number of interviewees in ICA recognize that evaluation should be strengthened in the next phase of programming and some have been promoting the adoption of more systematic evaluation procedures since the Institute's inception. Although there is a recognized need for more evaluation, there are also concerns about the capacity of ICA to engage in more intensely in this area. This concern reflects a perception that the Institute's staff resources are stretched with the current project and program management workloads.

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<sup>15</sup> The completed project evaluations that we learned of were the evaluation of FIPA's Virtual Parliament of the Americas, Phase I (2003) and consultant final reports from the regional consultations.

In looking towards a second phase, interviewees note that the Institute is beginning to explore how to do more evaluations and assessments of its project work. This is a positive initiative that could be complemented by the development of a program-level framework. For ICA as a whole (that is at the program level), one of the gaps identified during this first phase and further discussed in Section 3.2, is the absence of a clear statement about ICA's intended results, which would form part of an overall framework for evaluating the program.

### **3. Findings: ICA Results**

This section presents the team's general impressions on the results achieved by ICA to date. It presents an overview of the broader context for judging ICA performance during this first phase, which looks at the process of translating the concept of the Institute into an operational program. The sub-sections that follow provide a review of ICA projects (outputs), reflections on the outcomes and reach of ICA-supported projects, and the team's analysis of the incorporation of gender equity concerns into ICA's programming.

#### **3.1 Overall Assessment**

ICA results are assessed within the broader context of establishing and developing the Institute. The study recognizes the time, effort, and resources required to take ICA from a concept to its operations on the ground, which contemplated a regional consultation process and the establishment of advisory bodies to the Institute.

In less than three years since it began to fund projects, the ICA has developed outputs in each of its program categories (e-strategies, knowledge networking, and innovation and demonstration) that are valued for their technical quality and relevance to stakeholders. These outputs include the Network of E-government leaders in LAC, the LAC ICT project database, @Campus Mexico, the Computer for Schools project, the Wi-Fi pilot projects, and the recently launched flagship project of E-Link Americas, among others. In addition, there is evidence of changes at the outcome level particularly in the development of new networks and partnerships, broadened policy horizons, and improved access to the Internet of targeted communities.

There are attributes to ICA projects that are also recognized as results of this first phase. One of these is ICA's use of partnerships –often with multiple stakeholders—to fund and implement most of the projects that we reviewed. ICA is also recognized for its capacity to identify promising initiatives and leverage additional financial resources. Leveraging is often used as an indication of the value that is attributed a priori to a project or an idea insofar as other actors are also willing to invest. The data provided by ICA does illustrate success in leveraging funds at the project level, where every dollar invested by ICA has leveraged two dollars from other project partners. Most of the leveraged resources have come from multilateral and regional institutions, such as the World Bank, IDB, ECLAC, and OAS.

In addition to its projects, ICA has developed a common communications platform that has used a quadra-lingual website, newsletters, and online virtual groups to contributed to increased regional collaboration and virtual learning.

The review also notes two weaknesses that relate to the Institute's results in this first phase. One of them is the lack of a clear program framework and strategy (with articulated outcomes) for managing, evaluating, and reporting on its performance to key stakeholders. A second one has to do with the lack of an explicit and systematic way of integrating gender equality concerns into its programming. Although gender equality is not included as an explicit objective for ICA in its founding documents, it is an area that is important in bridging digital divides and warrants greater consideration from ICA in Phase II.

## 3.2 Broader Context for ICA Results

### ICA: from concept to operations

In discussing the outputs and progress towards ICA outcomes during the first phase, the intensive process required to set up the Institute must be acknowledged. The result: an operational ICA.

Several of the interviewees commented on the lapse of time between the April 2001 announcement of ICA and the date when it began funding projects. One of the primary causes cited is the delay in the Government's transfer of ICA funding to IDRC. One interviewee noted that the time lag is "normal under most circumstances, unless it is the most important thing on the Government's agenda. If you add to that the fact that the ICA required the cooperation of four government departments, a delay is almost to be expected." The review team agrees with this assessment and finds the set-up time to be reasonable, given the elements of the program model that were to be put in place (e.g., HAB and Working Group) and the processes (e.g. consultation) that were proposed to anchor the strategy of ICA in the needs of the region.

An overview of key milestones in bringing ICA to full operation is provided in Exhibit 3.1 below. ICA held its first regional consultation in March 2002; it began funding projects in July of that year, even though full staff complement was not achieved until 2003. These milestones do not illustrate the subsequent efforts to identify and get to know the main and most effective ICT4D players in the region, build a working relation of trust and mutual understanding, build multi-stakeholder partnerships, and develop all of the human, financial and logistical resources required to bring ICA where it is today. During a short time span, ICA has developed a work program that is producing results and can serve as a strong building block for a second phase.

ICA was established with an initial four-year mandate. In a letter to the Treasury Board dated April 23, 2004, IDRC extended this mandate until 2006/2007, without requiring additional funds. The rationale for this extension cites the timeframe that was required for the resources to become available to launch the Institute (about 10 months, as illustrated in Exhibit 3.1), the timing of the Summit of the Americas in 2005, and the ICA programming schedule that would require projects to have on-going monitoring in 2005/2006.<sup>16</sup>

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<sup>16</sup> Letter from Ms. Maureen O'Neil, President of IDRC, to Mr. Jim Judd, Secretary, Treasury Board of Canada Secretariat, April 23, 2004

**Exhibit 3.1 From Announcement to Operation of ICA: A few milestones**

DATE	MILESTONE
April 2001	ICA announced at the Summit of the Americas in Quebec City
June 2001	Board of Governors of IDRC approved establishment of ICA according to terms and conditions set forth in program proposal, conditional to program being administered and governed in accordance with regular IDRC policies and procedures.
September 2001	Treasury Board submission on the ICA
October 2001	Treasury Board decision approving the proposal to create ICA as an initiative incubated in IDRC, with a 4-year mandate
December 2001	Funding for ICA received by IDRC (12/31/2001) ICA Managing Director hired
January 2002	Funding transferred from IDRC to ICA
March 2002	First regional consultation held in Fortaleza, Brazil
April 2002	Proposal for the Establishment of Institute for Connectivity in the Americas (ICA)
May 2002	First meeting of the Hemispheric Advisory Board in Washington, DC
July 2002	First project funded by ICA: Telelac 2 (101390) Digital Inclusion: Telecentre Network in LAC II, co-funded with Pan Americas
March 2003	First Call for Proposals Issued
October 2003	ICA fully staffed and operational

**A Framework for assessing ICA results**

Given the demands on the ICA to set up a model, consolidate programming, and deliver results in a short period of time, a program results framework that built on the Establishment documents was not developed during the first phase of operations. A program framework can take different shapes and forms (and may have different names), but in essence it is a document that lays out the planned results for the program, articulates key strategies for achieving them, and provides a reference for monitoring and evaluating program performance.<sup>17</sup> The evaluation notes that one weakness in the first phase of ICA is that it has lacked such a framework for managing, evaluating, and reporting on its performance.

At the time of ICA design, many broad statements about its general aims and objectives, preferred approaches, priority themes, and programming areas were put forward. As some of the stakeholders noted, these statements were somewhat ambitious and ambiguous in nature. The review team found that these were not subsequently translated into statements that would help clarify the outcomes and reach of the program (as might be done in a Prospectus). The Summit Statements, Establishment Proposal, and other program documents (recent power point presentations, for example) provide a combination or even an overlay of directions and potential results by focus areas, thematic or sector areas, and target group. These do not help to focus, however, on the small number of key changes that ICA expects to see from its work.

<sup>17</sup> IDRC's Outcome Mapping methodology provides one way of developing such a framework.

In the future, a framework could assist in managing and evaluating results across ICA projects, and demonstrate how the program and project level objectives are connected. More importantly, this kind of a framework could provide a common reference (set of parameters) to key stakeholders for assessing ICA performance.

Due to the absence of such a framework, we have focused on describing projects and outputs according to the three “programs” in the Establishment Proposal, which came to be described as components of the ICA model. Our discussion of outcomes, however, is not tied to any particular categories; instead, it illustrates the kinds of changes occurring among program partners, based on the generic types of outcomes provided in the Terms of Reference for the evaluation.

### **3.3 An Overview of ICA Outputs**

ICA has processed approximately 400 proposals since 2001. It began funding projects in 2002 and over the past three years has responded with over 60 initiatives throughout the region, ranging from consultations to case studies, and from on-line forums to broadband Internet access services to be provided by E-Link Americas. The investments also vary from less than \$10,000 to support events or activities such as an *e-remesas* panel presentation in Honduras to the more than \$3 million committed to E-Link.<sup>18</sup>

The three general areas identified for the ICA program are: E-Strategies, Knowledge Networking and Innovation and Demonstration projects. In practice, projects may fall into more than one area.

The evaluation team’s review and comment on the ICA’s outputs is based on the case studies conducted, interviews with stakeholders, observation, and document review for a sample of non-case study initiatives. As such, it may not reflect the full range of results across all of ICA’s projects. Given the stage of project completion in some cases, the comments must be taken as generally indicative, rather than definitive pronouncements on the outputs.

#### **3.3.1 E-strategies**

##### **Case studies and reports**

The ICA has published more than 25 case studies since 2002, the majority of which are in Spanish, with summaries available in English, Portuguese, and French. The cases are described in the printed Projects’ Catalogue and are accessible on ICA’s website. As described on this website, the studies aim “to gather and disseminate information and knowledge on issues that (due to their relative novelty and/or complexity) need to be further explored and known by ICT actors in the region.” They form part of a “Best Practices” series related to cases of leadership and innovation, rather than to the success of an initiative per se. The list of ICA publications covers a wide array of issues in ICT4D in the region. Most of these studies are documents, with a few of them in video format.

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<sup>18</sup> All figures in this section are taken from the list of Ongoing and Completed Projects supported by the Institute for Connectivity in the Americas (ICA) provided to the evaluation team in October 2004.

The majority of the case studies are linked to broader initiatives that can help ensure their use by target audiences. In particular, we observe the use of case studies and reports to put forward examples, issues, problems, and potential solutions that then feed into larger ICA projects that are active today, such as the Wi-Fi pilots, E-Link Americas, Computers for Schools, the network of educational portals, and the development of E-Governance in LAC, among others. In the stream of work in e-governance, for example, the case studies of lessons learned and best practices in Argentina, Brazil, Mexico, and Peru served as substance for the distance learning courses and support of the network of e-government leaders.

In the Wi-Fi Pilots, the briefs were identified as a valuable tool for practitioners and of great help in training activities. Subscribers to ICA's distribution list reportedly congratulated ICA for translating the details and applications of this technology into a comprehensible language. Copies also were sent to events that took place in the region and to the WSIS in Geneva. Besides the briefs, at least two videos have been produced to illustrate the experience of two rural communities where Wi-Fi technology is being used (Nova Esperança and Sapukay, in Brazil).

There are also examples of publications that emerge from the experience of ICA-supported projects or activities, sometimes with the dual objective of sharing experience and delivering key messages to the project's target group. One example is FIPA's Virtual Parliament of the Americas, in which a case study was used to illustrate the philosophical and logistical issues in such a project and, more specifically, "to improve the accessibility of the Virtual Parliament concept to parliamentarians and to provide a solid foundation for efforts at generating support for future phases of the project."<sup>19</sup> In another example, "Indigenous Peoples and the Information Society", the study is a product of an ICA online workshop. A third relevant example related to the Wi-Fi project, is a paper by Bernardo Sorj and Luis Eduardo Guedes on digital inclusion in the *favelas*, which examines the socio economic profile of potential users and the types of contents that might better address their needs.<sup>20</sup>

The dissemination of case studies is primarily through ICA's web site, even though some documents are also available in other web sites. Web statistics illustrate varied degree of access (where we use "views" as a proxy for access), with certain topics receiving more consistent attention. The Wi-Fi Briefs, satellite strategy, indigenous peoples and the information society studies, as well as the e-governance collection have tended to draw the greatest number of readers or potential readers. During the month of January 2005, each of these publications had between 140 and 250 views.

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<sup>19</sup> Bellanet, "Final Report to the Institute for Connectivity in the Americas: Phase I Activities of the Virtual Parliament of the Americas Project, 2002-2004,"P.5

<sup>20</sup> Bernardo Sorj and Luis Eduardo Guedes, "Digital Divide: conceptual problems, empirical evidence and public policies" and also by the same authors "Internet na Favela" Research group Favela, Opinião e Mercado of ISER/VIVA RIO, Rio de Janeiro: 2004.  
<http://www.centroedelstein.org.br/pdf/digitaldivideconceptualproblems.pdf>

The potential limitations to this group of outputs are not necessarily based on the technical quality of the studies themselves.<sup>21</sup> For instance, the team notes the series of well-written briefs issued on Wi-Fi technology, both in English and Spanish, which provide valuable and detailed information on technical and practical matters. Similarly, the Sorj and Guedes paper offers substantial insights on conceptual issues related to the digital divide in the *favelas*, drawing on survey results that describe the socio-economic profile of users. At this stage, we identify potential limitations in instances where a case study is published and remains a stand-alone effort, in the absence of a strategy to link it more directly with its target audience (which would mean using more than the ICA web site to disseminate).

The evaluation team also notes that many of the Canadian stakeholders have expressed concerns about the relevance of case studies to ICA's objectives. Some of these respondents suggest that the studies represent an emphasis on research that does not correspond to ICA, while others point to the case studies when they illustrate a dispersion of the Institute's limited resources among small initiatives. This perception exists despite the fact that the number of case studies has diminished over time since the 2002-2003 funding cycle and, as we note above, many of the studies do feed into the "flagship" project streams.

### **Multiple tools to help develop e-strategies**

The "**Supporting e-Government Development in Latin America and the Caribbean**" project was designed to fill a perceived gap in the existing activities aimed at strengthening e-governance in LAC, namely the lack of a systematic cooperative arrangement to share solutions to e-government. Accordingly, the project set out to "provide e-Government strategy makers and program managers with well-structured opportunities to exchange ideas, information and knowledge among themselves and with experienced strategy makers." (Reference PAD101929) ICA made a small, but important, contribution of resources that is seen by all stakeholders as critical for the creation of knowledge and the exchange of knowledge, visions and experiences. The project illustrates how ICA fills gaps by facilitating the coordination, collaboration and sharing of efforts across countries.

Over the past two years, a broad range of activities that include training, seminars, case studies and best practices, and a portal have been implemented by ICA in conjunction with the OAS, its main partner in this project. A case study in Appendix 6 describes the project in greater detail.

The team finds that the evolution of the project outputs is promising. Of particular note, for example, are the results of the Internet-based distance course on e-government, which is taught across the region. More than 400 people have been trained through this course and now, for example, the State of São Paulo in Brazil is planning to train more than 3,000 public employees with the course. Furthermore, the project and the ICA are seen as being responsive to the needs of the stakeholders. One example of this is the decision to support the hiring of a consultant to serve as facilitator of the online activities of the Network, based on the initial experience that Chile had in this role. Another particular strength noted is that it is the stakeholders themselves who set the agenda of the e-gov network. The most recent result, and potentially most critical for the long term, is the Network of E-Government Leaders in Latin America and the Caribbean (Red GEALC), which was launched in November 2004 and had 40

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<sup>21</sup> We must recognize, however, that one staff member did question the quality of the studies, noting the difficulty in maintaining consistency and standards for these publications, as well as the challenges of issuing them in the four languages of the Institute.

members as of January 2005. The network and its web site [www.redgealc.net](http://www.redgealc.net) are considered a platform for a large number of e-government related activities.

One of the strengths of this project has been the combination of online and face-to-face meetings, which has fostered collaboration among e-government leaders in the region. ICA's cooperation in this project has been highly valued insofar it "brings more intangible resources, transfers know-how and brings a relationships network". In fact, ICA has been perceived "as an aggregator of intangible values." One of the findings of the case study is that e-government leaders in the more developed countries of the region find the RedGEALC network extremely useful for making personal contacts and developing in greater depth specific themes, whereas their counterparts in other countries value the knowledge embodied in the best practices as well as their own learning process in developing and implementing e-government strategies.

The e-government initiative has also led to the creation of a regional fund, which will facilitate travelling and exchange of e-gov practitioners among countries. It is reportedly planning to hold an event in the Caribbean in June 2005, to include Caribbean e-gov leaders in the network, as well as a workshop in Canada to be held in October 2005.

The ICA team has played a key role throughout this process, shaping the vision and assisting in the design of the programs to be implemented. OAS has explicitly recognized the competence of the ICA team (work, linguistic and cultural) as well as its innovativeness and flexibility. One of the team's main strengths has been its general receptiveness to stakeholders' ideas and ease of communication.

### **Sector-specific strategies: E-readiness assessments linked to training**

The ICA began its support for **ICT for competitiveness of MSME in Central America** in 2004, with the objective of enhancing "the competitiveness of MSMEs in 4 Central American countries (Guatemala, El Salvador, Honduras, and Nicaragua) through expanding the uses of digital technologies as instruments for developing business skills." (Reference PAD 102322) More recently, Costa Rica was included in the project. The project, which is co-funded with the IDB, contemplates an assessment of e-readiness of MSMEs and the design and implementation of training in ICT uses by MSMEs. At this stage, the principal output is the e-readiness assessment report on MSME in each of the countries (70% degree of completion as of February 2005). The training component is to be funded by country governments and multilateral organizations such as the IDB and the World Bank.

The project involves a complex group of stakeholders, with the Comisión Asesora de Alta Tecnología (CAATEC), based in Costa Rica, playing the role of lead institution and responsible for the e-readiness assessment. The Fundación Omar Dengo is expected to lead the training component, and the Secretaría de Integración Económica Centroamericana (SIECA) – a multilateral organization headquartered in Guatemala -- has also played a facilitator role for policy makers. SIECA's involvement has actually helped to position this project in the political agenda of the region, which is being strongly influenced by ongoing debates on the expected effects of the Central America Free Trade Agreement (CAFTA) in the local economies. As one of the stakeholders put it "the project has tried to establish itself within the political institutional framework of country governments, which enhances the likelihood of sustainability." Partly as an unplanned result of this project, an Ad Hoc Committee of Vice Ministers in charge of MSME policies in each country is reportedly very interested in promoting competitiveness among MSMEs.

The project results are being circulated as an important contribution to developing a regional agenda on how to improve the use of digital technologies for SME business skills development. A workshop has been recently held in Ottawa, on April 6, 2005, which brought both ICA and the project to the attention of government authorities. For instance, the Costa Rican Minister of Economy, Industry and Trade has reportedly promised to discuss ICA's successes with the president of Costa Rica, and to ensure that ICTs for SMEs will be a priority topic at the Summit of the Americas.

The project puts in evidence some challenges that may be shared by other ICA projects: namely the difficulties in bringing together project stakeholders with different viewpoints, partnering with multilateral organizations where often the relationship depends on the individual staff members, and the perceived "influencing" role that multilateral organizations/donors play in the project, with the repercussion that this could have for ICA. One of the risks of this project is that others –multilateral organizations and country governments--will not step in to fund the training phase. Political will to support the project may exist, but it is not easy to get the funds.

Nonetheless, the timing of this project could not be better, given CAFTA and the importance of competitiveness in a broader market for the region's political agenda. At this stage of implementation, the team considers that the project is filling an important void, and offers the potential for knowledge generation, capacity building, and motivating a convergence of key governmental actors in support of the increased competitiveness of MSME. As one of them put it, political actors are well aware that "there is a vacuum of information, which the e-readiness assessments of CAATEC are beginning to fill." These assessments are expected to inform the design and implementation of the training component of the project as soon as the funds become available.

### 3.3.2 Knowledge Networking

#### Information resources

Created in 2004, the "LAC ICT Project Database" (102618) in the region and the connectivity map have been among the most visited pages on the Institute's web site. Many of the ICA's stakeholders in Canada, pointed to these outputs as being representative of the niche that ICA was intended to fill – that of a clearinghouse and broker of better information resources. One stakeholder notes that the database helps you to identify who is doing what, thus providing a means of "rationalizing resources" in the ICT4D sector.

In the absence of a user survey, it is difficult to assess if the people who use the database, find what they need in terms of the content (complete and accurate information on projects, for example). This would help to assess the relevance of this output to user needs. The quality of any database lies in how up to date it is and this may also affect the ICT project database.<sup>22</sup>

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<sup>22</sup> We don't have broad evidence of users' perceptions on the accuracy of data base information, but some Jamaican participants at the CFS workshop in February commented that many of the entries for that country were no longer up to date.

## Tools for dialogue and interaction

A **Virtual Parliament of the Americas** (101739) was established in 2002 by the Inter-Parliamentary Forum of the Americas (FIPA), in collaboration with Bellanet and the Parliamentary Centre. The project aimed at promoting inter-parliamentary harmonization by strengthening dialogue and interaction between and among parliamentarians and legislative staff in FIPA member countries. ICA funded the first phase of the Virtual Parliament, which was designed to provide the foundation for parliamentarians in the Americas to use online tools in a more systematic way. Its activities included the re-design of the FIPA web site, email discussion lists and Dgroup support to the deliberations of FIPA's Executive Committee (EC) (accompanied by training to EC members on the use of these tools), and similar services to the working groups created within FIPA. The Virtual Parliament is one of the few ICA projects to date that integrated a formal external evaluation exercise, at the request of ICA. This evaluation, as well as the partners' final report on the project, notes the contributions and the challenges of the project, as well as lessons learned in the initial phase of the Virtual Parliament.<sup>23</sup>

Stakeholders in FAC use the example of the Virtual Parliament as a connectivity response to the request of a key target group for improved governance in the region—the parliamentarians. This was one of the first projects approved by ICA and the lessons about the use of on-line tools to connect people continue to be relevant. Although the participants interviewed for the FIPA evaluation were positive about the potential of the Virtual Parliament as a means of facilitating dialogue among countries on areas such as terrorism and trade, the online tools were not used by members to the extent that was expected. Possible explanations of the limited use include workload of the parliamentarians (and relative priority accorded to FIPA in that context), lingering discomfort in use of the tools for their interactions (in spite of training), lack of dedicated facilitation of ongoing dialogues, and the fact that the project did not involve support staff to the EC members as well as the members themselves.<sup>24</sup>

## Mechanisms for sharing models

**Computer for Schools – Phase I** (101920) is a joint initiative of ICA, Industry Canada, and the OAS-IACD. The project's overall objective is to provide practitioners from Latin America and the Caribbean with an overview of key CFS components and assist them in developing business plans to establish national programs. Although the project was conceived in order to share the Canadian model, ICA has supported the evolution of a training program that also integrates the CFS approaches developed in Colombia and Argentina, as regional adaptations of the model.

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<sup>23</sup> The Governance Network, "Virtual Parliament of the Americas Project – Phase I Evaluation Report", September 2003 and Bellanet, "Final Report to the Institute for Connectivity in the Americas: Phase I activities of the Virtual Parliament of the Americas Project, 2002-2004), July 30, 2004.

<sup>24</sup> Bellanet, "Final Report to the Institute for Connectivity in the Americas: Phase I activities of the Virtual Parliament of the Americas Project, 2002-2004)," p. 6

The project's key outputs to date have been the three workshops that were held in Buenos Aires (March 2004), Managua (September 2004), and Jamaica (February 2005). The target audience for the workshops included government institutions, educational organizations, NGOs, and private companies. At the end of Phase I (February 2005), representatives from 32 of the 34 member countries of the OAS had been exposed to the CFS model. All workshops were evaluated through a survey/questionnaire (two of them also have a video) and illustrate a generally positive assessment by the participants. The Virtual Mentoring Network (VMN), with material in English and Spanish, was created as an on-line forum for on-going dialogue and learning among participants from the different workshops. The virtual aspect of the project, however, has met with more limited success in continuing to engage participants in dialogue after the face-to-face workshops.

Only one year has passed since the first workshop was held in Buenos Aires, yet there is evidence that the project outputs – specifically the workshops and the business plans that they helped produce—provide a foundation for further progress in many of the participating countries, albeit at different rates. One government official notes that “thanks to what we learned in the Buenos Aires workshop, we have been able to take the step that was missing in order to make the project of refurbished computers for schools a reality. The business plan helped us to back-up our initiative with concrete data.” The project tests and is beginning to confirm the hypothesis reflected in the announcement of the Institute, which suggests that the lessons learned in Canada's Connecting Canadians programs could allow countries to develop and implement these programs more quickly. As one of the stakeholders described, the “documents and experience of Canadian Computers for Schools were of utmost importance in order to provide reference models for managerial and operational processes.”

The project also illustrates how ICA can build bridges between its Canadian constituencies and its regional mandate. In this case, the ICA team played a key role in bringing together the partners and supporting their on-going collaboration. Innovation and demonstration

**Wi-Fi pilots for development** (102177) is an innovation and demonstration project that aims at promoting social development by implementing local wireless networks using Wi-Fi technology. This technology expands the services from a single access to a larger area, benefiting a larger group of users from the same connection without additional recurring costs. ICA's main contribution has been to identify and draw attention to the potential of WiFi technology for expanding connectivity and reducing the digital divide throughout the region. In fact, the pilots have become an important tool for demonstrating and disseminating the advantages of this technology. To achieve this result, ICA researched different solutions and equipment and chose a specialized supplier. It also identified some communities where the pilots have been implemented (in Brazil, Colombia, Ecuador and Panama) or will be implemented in the months to come (in Mexico, Peru, Argentina, Venezuela and Uruguay).

The pilots visited are beginning to generate significant results. For instance in Puerto Armuelles, Panama, remote wireless stations already connect different sites such as the Municipality, the fire station, the health centre and a public library, making up a local network that provides access to the internet. Similar results have been reported in the other pilots. In the case of El Chaco, Ecuador, the network includes a telecentre that soon became a focal point of the community. These local institutions are better equipped to make innovative uses of ICT4D, and the quality of life in their communities has actually improved in a variety of ways. As a member of the leading NGO in El Chaco put it “for the first time teachers and pupils had access to high quality teaching materials; families could communicate at a low cost with their loved ones working abroad; the mayor and his staff could now access relevant governmental resources; the nurse could get advice from doctors in Quito; and traders could offer their goods outside the local market—just a few examples among many...”<sup>25</sup>

Other pilots have been implemented in urban settings, connecting telecentres in poor communities with broadband networks of neighbouring universities. Such is the case of the pilot in Rio de Janeiro, Brazil, where access to broadband services for the residents of a favela has been pointed as one of the key achievements. Additional qualitative information on these pilots is provided in section 3.4 under the heading “increased community access to low cost and better quality ICT” and in Appendix 6.

The key test for the project that is noted by some stakeholders is getting other actors to take on the projects and finance them after the pilot stage. This is particularly relevant in rural areas, where operational costs might be significant considering the usually tight budget constraints that local partners usually face. In some places like El Chaco, Ecuador, a solution was found when the local government and a semi-governmental development agency decided to share these costs. However, these solutions might be difficult to replicate in other contexts. In order to make the case for funding more convincingly the information from the pilots and evaluation of their impact is required. This information would help in assessing whether the approach could be extended to other locations, and in assessing the role and capacity of these technologies. As noted earlier, however, the M&E component is one of the weaknesses identified in these pilots.

The second project in this category is **E-link Americas** (102390), which aims at providing broadband Internet access for social development on a regional scale at low cost, and is widely cited as a legacy project of this first phase of ICA. It is closely related to the former project. In fact, Wi-Fi technology can be a key component of the E-link infrastructure, which includes Internet satellite connections. The hub of E-link is being installed in Canada and the system has been designed to meet community requirements in remote rural areas, including schools, hospitals, *telecentros*, local governments and civil society organizations. Furthermore, the system “will use low cost, open standard equipment, providing the opportunity of savings through economies of scale and technical standardization.”<sup>26</sup>

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<sup>25</sup> Klaus Stoll “How Wi-Fi came to El Chaco” The Journal of Community Informatics, Vol. 1, 2, (2005: 166-172).

<sup>26</sup> It is expected that “typical installations will run approximately \$1,500 per site for hardware (plus shipping, taxes, and installation) with monthly fees for bandwidth running from \$150-400 depending on level of bandwidth. See Project abstract.

E-Link has already generated great expectations among stakeholders in LAC and in Canada. It is being run as a non-for-profit Canadian corporation and will reportedly connect the Caribbean Knowledge and Learning Network by the fall of 2005. Furthermore it is projected that, within a year, E-link will be active in five countries with 500 terminals; it is also projected that 10,000 terminals will be connected over the following 5 years.

### Large-scale use of ICT for training

**@Campus Mexico** (102270) is an education portal that offers capacity development for Mexican Federal public employees through the use of different electronic media and is an illustration of how ICTs can support a government's civil service reform effort and, more specifically, how e-learning can deliver training to large numbers of civil servants across a large geographic area. The Government of Mexico introduced a law in 2003 that requires the government to evaluate and offer training to public servants, who must undergo certification at least every five years in order to retain their jobs. The *Secretaría de la Función Pública* (SFP) in Mexico leads the @Campus project designed to meet the requirements of this law, with the support of ICA, Foreign Affairs Canada, and the Canadian Centre for Management Development (CCMD, now the Canadian School of Public Service). Although other countries have lent their financial support to its development, the SFP recognizes the important role of the advice and expertise provided by these Canadian partners. The project built on the "expert" meetings supported by ICA that brought together experts from CCMD in Canada and experts from Mexico in 2003.

Two pilots of the introductory course with the participation of approximately 800 public servants have been initially completed. A recent report from the SFP indicates that they have yielded promising results, though an evaluation of the portal is still forthcoming. As of April 2005, 74 courses had been developed, over 14,000 people had registered in the e-learning platform, 19,303 courses had been requested and 5,363 of them were delivered or were in the process of being delivered.

The @Campus is often cited among Canadian stakeholders as one of the "flagship projects" of ICA because it responds to concrete needs, as expressed by the government of Mexico, and demonstrates how ICTs and Canada can respond to those needs. President Fox's visit to IDRC in October 2004 illustrated the level of support for the project in the current government. It is also categorized as a "scalable" project that can acquire regional dimensions in a short period of time. Delegations from various countries, including the Ukraine and Ghana, have reportedly visited IDRC to inquire about the project. The scaling up process for Central America has already begun, with the Government of Mexico discussing a formal agreement with Guatemala in order to begin moving towards @campus Americas, and a full-scale @Campus conference being planned for November 2005.

### 3.3.3 Cross-cutting characteristics

#### Partnerships

ICA has built partnerships in order to deliver the outputs for most of the projects that we reviewed. The partnerships, often involving multiple and diverse organizations, emerge at two levels. First, there are the relationships between ICA and the partner organizations that are engaged in funding or otherwise sponsoring the project. All of the projects that we reviewed are co-funded with organizations that include the IDB, OAS, CIDA, and Industry Canada, as well as other IDRC programs (Pan Americas). Second, there is another set of relationships among the implementing partners that can become quite large and complex, at times, such as the group of organizations involved in the MSME project. All of these partnerships require ICA to engage in "relationship management" as part of the implementation process. This also provides an indication of what the "brokering role" means in practice.

#### Leveraging of resources

The leveraging of resources is a natural bi-product of ICA's partnership approach in project identification and development. The term "leveraging" is used broadly to describe the external financial resources that are brought to bear in the implementation of an ICA project. Sometimes, it may be ICA that builds on funding partner's existing initiative. In other cases it is the funding partner that joins ICA to develop the project. A number of respondents noted that the ICA is recognized as an organization quite capable of identifying and leveraging additional financial resources.

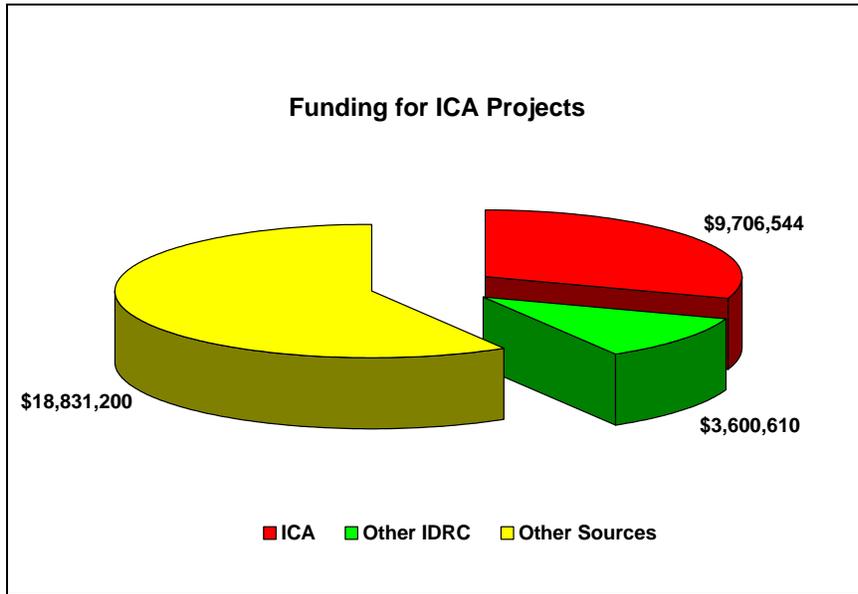
Leveraging is often used as an indication of the value that is attributed *a priori* to a project or an idea insofar as other actors also are willing to invest. The data provided by ICA does illustrate success in leveraging funds at the project level, achieving an overall leverage ratio of more than 2:1. Out of the CAD \$22.4 million reported in leveraged funds, approximately 60% comes from multilateral and regional institutions (such as IDB, World Bank, ECLAC, and OAS) and 16% from other IDRC programs and corporate projects, primarily Pan Americas. Exhibit 3.2 illustrates that the sources of external funding also include the private sector (in the IT access for everyone and the Alooo.com projects) and other Canadian government departments.

There are some potential limitations of partnering for resources when ICA funds the first component of a project and a partner organization has committed to fund the second component, but then is not able to follow through.<sup>27</sup> To this extent, the figures reported above and shown in Exhibit 3.2 and 3.3 might be overestimating the amount of leveraged funds and should be considered as preliminary and indicative only.

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<sup>27</sup> This problem was described for the follow-up to the Central American consultations, when the Development Gateway was unable to keep its commitment to provide additional support because of internal changes. It is also a risk in current projects where the relationship with the multilateral funding organization depends on the staff person that is there and his/her interest in and commitment to the project.

**Exhibit 3.2 Leveraging of external resources for ICA projects**



Source: ICA, project data as of March 2005

*Note: Includes both the funds disbursed and committed to date. ICA funds do not reflect the portion of funding for operations (\$4.5 million), for other projects this year, or for a subsequent allocation to E-Link (\$2.7 million).*

**Exhibit 3.3 Sources of External Funding for ICA projects**

Source	Funding	Percentage of Total
Multilateral and regional institutions	\$13,563,500	60%
Private sector	\$1,956,200	9%
Other country governments	\$860,000	4%
Other Canadian government departments	\$1,560,000	7%
Other IDRC programs and corporate projects	\$3,600,610	16%
Other	\$891,500	4%
<b>Total leverage</b>	<b>\$22,431,810</b>	<b>100%</b>

Source: ICA, project data as of March 2005.

*Note: The "other" category includes civil society and some of the projects where there are several contributors and the contribution of each cannot be disaggregated.*

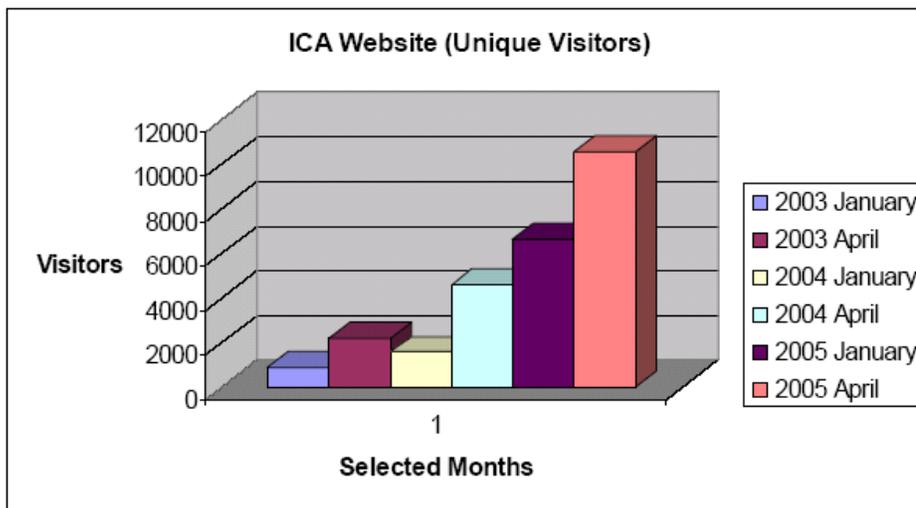
### 3.3.4 Communications Platform

ICA has also developed a common communications platform – based on its web site, virtual groups, and newsletters—that has contributed to increased regional collaboration and virtual learning. The level of interest in the ICA products, including reports, case studies, and regional information, has increased dramatically over time. ICA's web site -- www.icamericas.net-- was launched in 2002. The site now receives over 10,000 visits monthly (April 2005), up from close to 1000 in January 2003. In addition, by April 2005, ICA had distributed 12 newsletters to over 1000 subscribers throughout the region. The web site, newsletter, and many of the Institute's publications (or summaries of them) are produced in four languages: Spanish, English, French, and Portuguese. ICA has effectively used virtual means to engage stakeholders in the region before, during, and after events and projects. The growth and numbers of unique visitors to the ICA web site, which is presented below, demonstrates the growing interest in ICA and its work in connectivity.

**Exhibit 3.3 Growth In Demand for ICA Products and Services**

**Website Statistics  
Number of Unique Visitors in Selected months**

Year	Month	Unique Visitors
2003	January	905
2003	April	2,188
2004	January	1,586
2004	April	4,623
2005	January	6,628
2005	April	10,599



Other aspects of the ICA communications have aimed to establish a corporate identity for ICA. These efforts have included the tag line, updated logos, and development of marketing material. Diverse marketing materials, such as 2000 copies of the "ICA Overview" brochure and 1600 project catalogues, have been produced and distributed widely in LAC, including targeted distribution to Canada's embassies and missions in the region.

When ICA has reached out to the media, it does meet with receptivity to its stories. Over 25 publications in 14 countries have featured stories on ICA and its initiatives. One clear example of media receptivity is the coverage of the Wi-Fi pilot in El Chaco in Ecuador and the launch of @Campus Mexico in Ottawa.

The evaluation team recognizes the general quality and positive contributions of these outputs to ICA's overall development. The management of external communications in four languages, with limited staff resources, is a considerable achievement. Although the web site data suggests greater engagement in terms of number of visitors, it may also be helpful, as part of a transition to a second phase of funding, for ICA to develop a specific survey tool to assess the relevance and usefulness of different components of the communications platform to audiences in the region.

During the interview process, some external and internal stakeholders expressed concerns about the extent of ICA's outreach to certain target audiences (governments, in particular) considered to be critical for positioning ICA at the upcoming Summit. Nonetheless, there is evidence that ICA has been stepping up its overall communications approach and outreach efforts to these groups in recent months (@Campus, Wi-Fi pilot at El Chaco, SME and ICTs event in Ottawa are only a few of the examples).

### **3.4 Movement Towards Outcomes**

As noted earlier, the absence of outcome statements for ICA, limits the possibilities to make judgment in this area in relation to the Institute's planned results. Nonetheless, the sample of projects that were reviewed by the evaluation team illustrate some of the ways in which ICA outputs demonstrate the benefits of innovative uses of ICTs for improving the living conditions of the poor and promoting development in the Americas. The outputs reviewed are contributing to change the actions, behaviours and relationships of the program partners.<sup>28</sup> At this stage of project implementation, there is not enough evidence to say whether or not these changes could be sustainable over time. The changes, which are generally occurring among intermediary organizations, are described below.

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<sup>28</sup> We have used IDRC's definition of outcomes that focuses on these changes in the program's partners (people, groups, or organizations), with the understanding that it is the partners who will influence other areas such as the policy environment.

## Development of networks and new partnerships

The evaluation finds that new relationships have been created mostly among government actors in different countries through learning and networking opportunities. As one stakeholder noted, ICA's cooperation brings "...a relationships network." For example, despite its early stages of development, the e-Government network is active and brings together the right target audience - the top government officials in charge of e-government programs/strategy of each country of the region. RedGEALC has also generated opportunities for horizontal cooperation across countries, as seen in the exchanges between Chile and Uruguay around the "Chile Compras" program.

Factors that supported the development of this type of networks include dedicated facilitators (positions funded by the ICA projects) of the on-line activities, and an appropriate mix of face-to-face interaction with the on-line activity.<sup>29</sup> In the case of e-governance, the periodic workshops helped to establish a formal network of like-minded stakeholders that generated trust and brought greater legitimacy to the stakeholders' virtual exchanges. "Personal knowledge of stakeholders in the network creates an identity, legitimacy, which fuels collaboration among them."

In the Caribbean, ICA projects have provided a unique networking opportunity on ICT4D for diverse stakeholders in the region. At the roundtable, stakeholders from one sector met stakeholders from another sector for the first time: regulators were in the same forum with civil society and started to see who they were, how they thought, and what they wanted. One participant stated that "the Roundtable represented a unique opportunity to address issues and set the policy agenda for years to come and [for] those of us who represented Civil Society like me, it was quite interesting to be among the technocrats and professionals who quite often take decisions which influence our lives without allowing us to part of those decisions."

This event generated new relationships between donors, the private sector, the civil society, and Governments; it also heralded the advent of cooperation and collaboration among donors and a process of investment for development. An institutional stakeholder active in the region aptly put the results of this initiative: "Part of several other initiatives. Led to CIVIC, which is very good. Led somewhere. Helped convene the community. Laid foundations." The CIVIC virtual community, which grew out of the Roundtable, is also recognized as a forum where, ICT4D activists and practitioners continue to come together. A subsequent effect will likely become evident in policy development that is more in tune with a broader spectrum of sectors in society.

ICA's networking is not limited to international relations; it also operates at the local level. Local stakeholders are obviously engaged in their own networks and partnerships, which sometimes overlap with ICA's. During the fieldwork on the ICT for competitiveness of MSME project, one interviewee observed that ICA's project officer "do not miss any opportunity to persuade us to meet other people from different networks, who can contribute to the project and provide valuable feedback." In this sense, ICA is seen as a catalyst that triggers cross learning processes and network development.

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<sup>29</sup> The importance of the facilitation and face-to-face activity was recognized in two initiatives that met with more mixed success in terms of network development: FIPA's Virtual Parliament Phase I and the Central American network "Redticca" that was created after the regional consultation. As the FIPA report noted, "engaging a group virtually is difficult when a group is just forming offline."

A case in point in Guatemala is the integration of Bankrural into the ICA program network. Bankrural, a private bank and the third largest in this country (according to the value of its assets), is deploying a network of ATMs that provide assisted access to indigenous customers in 4 Mayan languages. This bank resulted from the reorganization of a former state development bank and it is currently one of the most profitable in Guatemala, reportedly as a result of its pro poor orientation. Its manager is quite active in the local and regional networks promoted by the Institute, and believes that "development is a good business." Banks with strong developmental agendas such as Bankrural, could bring significant benefits in partnership with ICT firms, as the Alooo.com project illustrates ("Free e-mail access through telephone lines in Central America").

Although of a pilot nature, the Wi-Fi projects have also brought together diverse partners. In Panama the main government official in charge of ICT policies has developed closer relations and partnerships with the local authorities that participate in the Wi-Fi pilots. Along the same lines, the Wi-Fi pilots in Brazil have facilitated networking and learning processes, to the extent that the acquired knowledge and skills are reportedly being applied in other areas. As one interviewee put it, "We'd developed similar Wi-Fi projects in the Amazon with EU funding, so I learned a lot from this one to apply to the one in the Amazon." The same person also stated that "contact with Chile was extremely valuable. It will economize significant costs in the future if a network is developed". Linkages of a different nature are also expected to develop in Brazil, as local suppliers have begun to provide some equipment. In the case of El Chaco, in Ecuador, networking opportunities and expectations are different. For instance, the Mayor of El Chaco has requested subsequent meetings with Canada's Ambassador to continue working with Canada in the implementation of the community's modernization program.

Another example of the new relationships prompted by ICA outputs comes from the CFS project, where the partnerships bring together civil society, government, and sometimes the private sector. The Guatemalan participants in the CFS workshop (September 2004) went on to establish an alliance of several different organizations (government, NGOs and Microsoft), coordinated further training of a broader stakeholder group, negotiated a donation of 400 computers from Korea, and officially launched the initiative in January 2005. As an interviewee in Guatemala observed about CFS implementation in that country: "the project opens up a whole new front and forces the private sector to take on its social responsibility."

### **Broadened policy horizons and new policy regimes**

In the case of e-governance, Brazilian stakeholders have noted the value of benchmarking studies for shaping their vision in designing the second stage e-government strategy for the country. Policy makers in the e-government area have been able to look and learn from experiences, which are closer to their political and economic reality by exchanging views and experiences with colleagues in the region through the Red GEALC. Better and more efficient e-government plans are being drafted and implemented, with a positive impact on citizen's lives. Similarly, interviewees noted that ICA funds assist in shaping the vision and designing the programs that will be implemented with other resources, either from country budgets or multilateral organizations.

In some of the countries that participated in the CFS workshops, there are signs of change in the policy and institutional framework that will enable CFS initiatives. Brazil, Guatemala, and Panama are three examples of countries that had taken some steps towards a CFS program but jump-started their initiatives following their participation in the workshops. Brazil, for example, moved very quickly to change legislation, locate space and consolidate partnerships. By February 2005, less than a year after the Buenos Aires workshop, the Federal Government had launched a Program called "Computers for Inclusion." The Program's Centres for Computer reconditioning, which are independently managed by NGOs, are currently being installed in Rio de Janeiro and Belo Horizonte.

Finally, ICA has contributed to make the case for supporting MSME in their adoption and use of ICT in their business strategies. MSME can be a significant engine for growth and their survival is at stake as markets become more open and competitive. Aware of the challenges and opportunities that the Central American Free Trade Agreement will bring to the region, the Vice Ministers in charge of MSME policies in Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica, have set up an Ad-hoc Committee to share their vision on how to promote competitiveness among MSME.

### **Increased community access to low-cost and better quality ICT**

The Wi-Fi pilots provide low-cost access to ICT for poor communities. Evidence from the interviews reveals a significant impact in the communities. In the case of the *favela* Maré in Rio de Janeiro, "the impact on the community was enormous... [it] increased demand and interest for Escola de Informática e Cidadania ... It generated interest even for the courses provided by the NGO which hosts the Escola."

More specifically, access to broadband services has been pointed as one of the key achievements of the pilot in this site. Thus, "Wi-Fi brought an amazing gain in quality in Internet access, which led to an increase in the number of users. It forced us to replace and expand our computer equipment." Furthermore, the same observer stated that "A beauty of the model implemented at the Maré was the fact that it had access to the high-speed, very high broad band scientific network Rede Rio. However, if we had to pay for the link, it'd have become economically infeasible."

In rural areas, however, broadband infrastructure is still largely unavailable so the main effect has been on improved connectivity mainly within the local area. For instance, speaking about the benefits of the pilot in Puerto Armuelles, Panama, a fire fighter noted that "this network provides a second channel of communication among the entities in charge of health care and the prevention of disasters, which is of great help since the telephone lines are often busy."

## **3.5 Integration of Gender Equality**

In documenting the results of the ICA, the terms of reference also asked the evaluation team to comment on the contributions of this program to greater understanding and consideration (amongst partners and within the connectivity field) of the inclusion of gendered perspectives. The evaluation team recognizes that gender equality was not explicitly mentioned in the Connectivity Agenda that was adopted through the Summit, nor was it included as an explicit objective for ICA in any of its foundation documents. As one interviewee recalls, during the origins of ICA, the discussions focused on other types of inequalities of access (along demographic, geographic or ethnic lines) to connectivity, and did not address to the same extent the differences between men and women.

At the same time, the promotion of gender equality was a specific objective of the Summit of the Americas and is an element of IDRC's corporate strategy (2005-2010). In this context, the evaluation finds that the lack of a systematic or explicit approach to integrating gender equality concerns into its programming is a weakness of ICA and an area that warrants additional strategic focus and capacity in Phase II. Program management and staff do express the will to address gender. Some of them note that it is "almost intrinsic that ICTs and gender [equality] are a good fit" but also recognize that ICA can do more in this area. Some of the feedback received from management and staff also notes that in this first Phase ICA has relied on the work that Pan Americas, ICA's twin project, has done in gender analysis and research.

A gap is also evident at the project level, where the Project Approval Documents we reviewed do not suggest that gender issues were considered in the project-planning phase. This is not to say that all projects are devoid of gender analysis, throughout the project's life. In fact, at the CFS workshop (one of the outputs), the issue of gender equality emerged as part of the discussions of the social inclusion dimension of the model for the Caribbean<sup>30</sup>. On the other hand, one of the stakeholders in the Wi-fi pilots in Rio de Janeiro, Brazil, expressed concerns about the fact that those quitting from the courses in the telecentre were mostly women with children who couldn't find babysitters and unemployed who couldn't find jobs.

Although it may be used as a criterion in the ICA team's assessment of projects, gender equality does not figure among the project criteria on the web site. We also note that the project assessment grid does not consider this variable in assessing the proposals that are received through the Call for Proposals. In the second round of proposals in 2004, ICA did approve a project that targets women: "Internet-based training model on Citizen Participation for rural women." The criteria for case studies include a gender dimension by indicating that "when appropriate and relevant to the lessons of the case, pay particular attention to gender."

Further integration of gender equality concerns has also been limited by the team's capacity. The ICA team does not include a gender specialist, which, as one member notes, makes them more humble in trying to integrate gendered perspectives into their projects. There is also little evidence that gender consultants have been brought in to advise project teams.

Although ICTs have that equalizing potential, it must be built in by design. If not, ICTs could actually widen the digital divide. We would agree with the need raised by one external stakeholder for a critical examination of gender and ICT issues anchored in the kinds of projects that ICA supports.

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<sup>30</sup> In this region, gender trends in education are the opposite of other areas of Latin America, since it is the boys who tend to lag behind the girls. Thus, social inclusion components of a CFS program would aim to draw the young men back to the system through vocational-technical training and exposure to ICTs at a computer-refurbishing centre.

## 4. Findings: Strengths and Weaknesses of ICA's Approach and Strategy

This section offers reflections on the strengths and weaknesses of ICA's approach and strategy in relation to ICA's objectives and current state of the field. It takes a broad look at how the Institute has shaped its efforts to achieve its mission, from both a programmatic and more operational perspective. In some cases, due to the early stages of implementation, the team notes potential challenges, rather than actual weaknesses in the approach. Finally, the section comments on the relevance of the ICA's approach and strategy to different constituencies and stakeholder groups.

### 4.1 Overall Assessment

The "start-up" strategy of ICA developed a large and diverse portfolio of projects. While this represented a spread of resources, it also allowed ICA to create a constituency of regional and sector stakeholders and thus helped to lay the foundation for the "maturation" strategy that begins to move ICA towards more large scale and truly regional projects. Although it is in early stages, this maturation strategy that is characterized by larger budgets and leveraging power, more complex financing and implementation arrangements, greater risk and potential for impact, may pose new challenges to ICA.

ICA is recognized for strengths in several areas, particularly its capacity to blend projects with single and multiple stakeholders and its role as a matchmaker for institutions and sectors. Its ability to embrace a regional approach to programming is also highly valued. Among the weaknesses noted is that ICA's program niche is still unclear to many stakeholders. Interviewees note that while ICA has an operational strategy, it appears to lack a macro strategy for its work.

The evaluation team considers that the Institute's programming is relevant given the current state of the field and the realities in LAC. ICA has also remained relevant to the process and themes of the Summit of the Americas during this period. Country governments value ICA's different roles and some of the major governments in the region—Argentina, Brazil, Chile, and Mexico—are partners in ICA projects. In the case of civil society, the perceptions of some groups suggest a potential gap between how ICA is perceived and what it is doing in practice. The private sector has had a small, but growing role in ICA, which has yet to be explicitly defined in ICA strategy. Recent ICA initiatives such as IT Access for Everyone and Aloo.com foreshadow new levels of private sector engagement.

Multilateral organizations, both regional and international, have come to recognize the important and complementary role that ICA can play in ICT4D in the region. They appreciate ICA's capacity to identify the needs and reach out to micro-stakeholders and, particularly, to launch horizontal meso-level projects. The ICA is also relevant in different ways for the other founding Canadian government departments. While these departments have expressed sound support for ICA's work, they also note concerns related to strategy, vision, and the ICA model. The departments also agreed in correspondence that a second generation of ICA should be pursued, subject to certain conditions (such as a positive evaluation and an updated mandate).

## 4.2 Project Type

### Start-up strategy

During its first years, ICA adopted what some refer to as a “piecemeal ” or “broad wash” strategy that reflected the ICA model based on three pillars (E-Strategies, Innovation & Demonstration Projects and Knowledge Networking) and built around the driving concept of Best Practices & Scaled Regional Initiatives. As described in Section 3, the strategy yielded a variety of outputs that included case studies, videos, virtual discussion groups, workshops, and four regional consultations. Although in practice the pillars, or categories, may overlap in any one project, the ICA has distributed the project budget across these categories. An analysis of the budget data shows that during the first phase (2002-2003), Knowledge Networking provided the basis of the strategy, supported by E-Strategies. (Please see Exhibit 4.1 below.)

The initial strategy has been the subject of some critique by external stakeholders because on the one hand, it seemed to illustrate a weak relationship between the vision and the concrete products being produced, and on the other it reflected a spread of resources. Nonetheless, the initial strategy did bear expected and unexpected fruits, including a network of partners that comprise the main ICT4D organizations in the hemisphere and the early building blocks (studies) for subsequent “flagship” initiatives. In addition, the experience helped shape the development of new IDRC programs for the area (e.g. contribution to emergence of Connectivity Africa). The approach helped ICA to cast a wide net to map possible alliances.

**Exhibit 4.1 Evolution of Programmatic Strategy**

	2002-2003	2003-2004	2004-2005
<b>Number of projects</b>	<b>19</b>	<b>25</b>	<b>11</b>
Networking	79%	56%	45%
Innovation	16%	20%	36%
E-strategies	5%	24%	18%
<b>Total Financing</b>	<b>1,568,923</b>	<b>2,994,737</b>	<b>4,864,990</b>
Networking	69.2%	47.1%	13%
Innovation	27%	31.1%	84.4%
E-strategies	3.8%	21.8%	2.6%
<b>Average per project</b>	<b>82,575</b>	<b>119,789</b>	<b>442,272</b>

Source: List of Ongoing and Completed projects supported by the ICA

The table in Exhibit 4.1 illustrates that as the share of networking projects decreased, the share of innovation projects increased to account for 45% of the total number of projects and approximately 85% of total financing in 2004-2005. E-strategies, however, had a rather erratic funding trajectory. It is important to note that over 50% of ICA project funds were allocated (the influence of E-Link investment) in the more recent cycle, 2004-2005.

Over time, as the strategy evolved it seemed to narrow and focus. One stakeholder attributed the shift to internal factors that included “a natural process of maturation of ICA, the ability to garner results, and the realization that it needed to do something of significant impact to remain in existence.” The need to differentiate itself from the programming strategy of other organizations may have also played a role. External factors may also have influenced the shift in the marginal functionality of this initial strategy, some of which include:

- a natural evolution of catching-up trajectories in connectivity (by both national governments and international organizations with thematic programs for the connectivity area);
- evolution of the ICT4D subject area (digital divide dual problems of access and connectivity being gradually replaced by a focus on the Information / Knowledge Economy);
- the quickening of the pace of technological change (including diffusion, e.g. cell phone diffusion rates in developing countries);
- the emergence of new rules for innovation and economic growth (e.g. entrepreneurship, venture capital, university technology transfer); and
- transformations in the global political economy (e.g. rise of China and India in the international trade and R&D scenarios)

As a result, ICA has begun to move towards more large scale and truly regional projects. An observer aptly called the first generation strategy a retail strategy (small, single stakeholder projects), in contrast to the maturation strategy that blends a retail with a wholesale (large, multi-stakeholder projects such as E-link) strategy.

### **Maturation strategy**

In the maturation strategy currently unfolding the focus is on scale and scalability (E-Link and Wi-Fi Pilots), regional or sub-regional scope (Supporting e-government Development in LAC and ICT for MSME competitiveness in Central America), targeted goals (Computers for Schools) and audiences (Digital Cities Awards), content generation (@Campus, LAC Educational Portal, OSILAC-Information Society Observatory).

Some common features of these new initiatives are: sustainability drivers, increase in government partnerships, benchmarking utilities tools (OSCILAC and LAC Connectivity Map), bigger budgets and leveraging power, multi-stakeholder financing partners, innovative project governance arrangements and increased and riskier impact potential. In addition, the projects emerging seek to build bridges between existing initiatives.

Although it is still too early to fully assess the strengths or weaknesses of this approach, it is possible to identify some of the potential challenges. In moving away from smaller scale projects and CSOs as mainstay stakeholders<sup>31</sup>, ICA's strategy has entered uncharted terrain. Some of the challenges include the changing relationships with its stakeholders, which are outlined below:

- First, as its initiatives increasingly deal with governments as (often critical) stakeholders, ICA may be exposed to the vagaries of political electoral cycles and stand in similar international cooperation policy terrain as its main institutional partners (e.g. multilateral organizations). Furthermore, its staff may face greater political pressure and time-consuming negotiations.
- This process may also imply that ICA experiences some disaffection from old and new project stakeholders. On the one hand, as governments become self-sufficient in ICT4D they may resent ICA's choices of CSOs not aligned with their policy. On the other hand, some civil society groups perceive ICA and its governance as detached, or see in the increasing demands for sustainability of projects, a tendency to "sell out to the private sector." This does not mean that disaffection will occur across the board, but it is natural for some groups to express discomfort with new approaches. (Further comments on the relevance of ICA to civil society groups is provided in Section 4.5.4)
- In addition, it may make it harder for ICA to build initiatives with the private sector, a stakeholder that was missing in project implementation in the start-up phase of ICA. Smaller firms may be particularly difficult to bring on board, yet they could hold the key to sustainability and, more importantly, provide a bridge to the next generation strategy of knowledge economy.

However, ICA's own multi-stakeholder model (Working Group and Hemispheric Advisory Board), and particularly the integration of diverse Canadian government stakeholders with their own mandates and constituencies, has given the organization valuable experience that can be applied to the challenges noted above. By bringing in as full time partners of its enterprise all major multilateral organizations operating in the ICT4D area in the region, ICA has bolstered its capacities. This will further assist it in withstanding national political pressure over its strategic orientations and implementation arrangements.

Another challenge may arise from an emphasis on scalability itself, which is very important. It multiplies impact to larger audiences and leads to demonstration effects, which help in curbing the power of vested interests that might stand against the empowerment of citizens through the use of technology. Scalability also facilitates scale economies and cost reductions that would not be achieved otherwise. However, scalability is not an objective in and of itself and its importance should not be overstated: different projects, technological solutions, network configurations, and even contents and applications might be required in the face of the diversity and heterogeneity that characterizes the Americas.<sup>32</sup>

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<sup>31</sup> 8 out of 10 projects approved by ICA under the Call for Proposals mechanism came from civil society organizations. [Sheet: Project proposals received by ICA per year, Jan 10, 2005]

<sup>32</sup> A well-known bias in the history of developing nations has been the financing of high profile visible projects that politicians certainly favor, which very often have a strong impact in the media although a rather limited impact on the well being of the poor.

Along these lines, ICA's support to smaller initiatives related to education, capacity building and digital inclusion at the local level, can make a significant contribution to development. Regional networks could certainly nurture and foster these initiatives on their own, but without specific support they wouldn't emerge in the first place.

### 4.3 Other Elements of the Program Approach

Several of the strengths recognized by stakeholders are reflected in other parts of this report. These strengths include: the focus on infrastructure and technology; the fact that it offers something real, not just talk; and the capacity to blend retail (small, single stakeholder projects) and wholesale (large, multi-stakeholder projects) programs. ICA is also recognized for being a matchmaker of institutions, a knowledge broker and catalyst of innovative projects and, more importantly, for embracing a regional approach that differentiates it from international organizations.

Weaknesses pointed out by interviewees in the region suggest that ICA "approaches different countries homogeneously" or that it brings solutions in search of a problem. Others note that while the ICA has an operational strategy, it has no macro strategy. This observation may also explain why several stakeholders perceive that the niche of ICA is unclear, and that it needs to be further defined in the second phase.

One keen stakeholder explained that ICA is "doing good things but missing [the ability] to point out what matters." That is, it is not taking enough lessons from its good deeds. Another argued that ICA has been unable to get partners to fund its spin-off because it does not have an interesting strategy. That seems to indicate that there is a need for ICA to update and highlight its strategy to stakeholders.

### Benchmarking

One of ICA's earliest strategic formulations (a presentation in September 2001) provides a sort of benchmark for ICA progress in Partnerships, Regional Network, and Program Criteria.<sup>33</sup> These components and the achievements to date are presented in Exhibit 4.2. Most of these strategic components have been incorporated in the ICA model. The ones that are missing may hold clues for designing ICA's second-generation strategy.

For example in the area of Partnerships, a weaker aspect of ICA's strategy in the start-up phase was the scope and nature of its relationship with private sector companies. Over time, it has emerged in an ad-hoc fashion through a number of projects, but the strategic role remains undefined. ICA role vis-à-vis the private sector is further explored in Section 4.5.5.

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<sup>33</sup> IDRC presentation on ICA, "Program Proposal and Description" icadeckenglishsept19 2001.ppt

**Exhibit 4.2 Benchmarking Programmatic Strategy**

PARTNERSHIPS	ACHIEVEMENTS
Regional Multilateral Institutions	IDB, OAS, WB, EU, ECLAC/UN
IDRC PAN Americas "Twinned" with ICA - \$ 6 million	Digital Competitiveness Grants Digital Inclusion: Telecentre in LAC - II
Foundations, Private Sector, Educational Institutions and Civil Society	Civil society HIGH, Educational institutions LOW. Private Sector MEDIUM, Foundations MEDIUM
A "REGIONAL NETWORK"	ACHIEVEMENTS
Developed "from the ground up"-based on local demand	Yes, but a "pick and choose" approach
Incubated at IDRC	Integrated in IDRC
Host/Sponsor Institution in each Region	NO
Contribution Agreements for joint recruitment of ICA Network Advisors	NO
Moving to becoming a Hemispheric entity within 3 years	Abandoned the institutional design but reinforced the strategy
Reporting back to Summit of the Americas in 2004	Planned for 2005
PROGRAM "CRITERIA"	ACHIEVEMENTS
Rooted in a Developing Country	YES
Linkages to World Bank and IDB programs	YES
Multiple Partnerships (NGO, business, education, community, government)	YES
Support existing local, national and regional strategies	MEDIUM-HIGH
Demonstrate concrete results	MEDIUM
Demonstrate sustainability	YES
Capability of Replication	YES
Include evaluation and "learning" component	Learning has been integrated, but evaluation is less evident in first phase

Source: ICA deck, September 19, 2001.

Foundations and educational institutions also do not seem to have a clear role in the start-up and maturation strategies. However, as issues of human capital and content generation move to the forefront of the ICT4D agenda with the challenges of the Information Economy, they will have to enter the picture more forcefully.

In regard to the Regional Network engagement, the interviews and document review suggest that ICA has chosen some of its programs from the ground up, but increasingly relies on other agencies' agendas and national agendas. Matching technological innovation with innovative solutions to demands developed from the ground up is the key to some of its most promising programs (e.g. Wi-Fi Pilots, CFS). This should not tip the balance too far, however, for agencies and governments are often risk-averse and unable to learn from micro-level solutions, particularly innovative ones.

Some of ICA's project partners call for an increase in orientation, monitoring, and follow-up for their projects. This increasing demand, coupled with the need for more effective learning from projects, may bring back the notion of linkages to host regional institutions that could act as gatekeepers, local scouts, and mediators and contribute to the learning pipeline.

In the area of Program Criteria, although some improvements are needed in the support of existing local and national strategies and in demonstrating concrete results, the main gap in this category lies in the evaluation component (discussed in Section 2.3).

#### **4.4 Relation to Current State of the Field**

Reflecting upon the urgency of ICT access for poverty reduction, a strong consensus was reached by participants in the Harvard Forum of experts, organized by the IDRC in September 2003, in the sense that with the ICT revolution "there is a seismic change that is taking place...the availability and the use of this technology is no longer optional." Having said that, there are multiple paths or approaches that can drive the use of ICTs in poverty reduction.

From an economic development perspective, the development of information and communication networks provides an attractive environment for investment and is increasingly becoming a critical condition for economic growth. ICT have led to an extraordinary reduction in transaction costs, expanding the scope of market relations to unprecedented levels. On the one hand, local production is no longer constrained by the lack of information on markets. On the other, widespread access to market information takes the competitive edge to a higher level of analysis.

From the point of view of citizenship empowerment and basic needs, ICT hold the promise of facilitating access and increasing the quality of basic services such as health and education. ICT have provided greater opportunities for transparency, accountability and civil society engagement in public affairs.

Yet, the role of ICTs in the reduction of poverty and social inequality remains a contested issue in the field. As Amartya Sen observed at the Harvard Forum, to the extent that access to ICT reduce inequalities across class, gender and regional barriers, making the least well off people benefit most, new opportunities for poverty reduction are enormous and something must be done about it. However, the findings of other studies, such as Sorj and Geddes (2004), would dispute this argument, as would the experts who note that ICT can either decrease or increase the inequalities that already exist in the world.

ICA has not ascribed to one particular framework or view, but rather has pursued a multi-pronged strategy that seeks to enable the launching, facilitate the deployment, widen the scope, and accelerate the expansion of activities within and across these multiple paths. For example, large-scale projects like E-link seek to address the long-standing atomistic problem of cost-reduction for connectivity for low-income communities. By aggregating demand to pressure for cost reduction, E-link brings scale back into development projects in a way that makes social and, more importantly, economic sense. Similarly, @Campus uses ICT to set up a centralized educational services provider for Mexican public servants that acts a clearinghouse for a fragmented and competing set of suppliers. The initiative promises to provide better value for the investment, extend the reach of education, and allow for customized learning that respects institutional needs and individual differences.

## Holistic approach to ICT4D

One message clearly emerges from the debate: in order to achieve success in ICT interventions, it is necessary to consider a broader perspective on the potential for ICT in the reduction of poverty and social inequality. To a great extent this broader perspective has permeated the activities of the ICA. It is clear that ICT are not seen as an end in themselves, but as a means for achieving higher ends. This is perhaps one of ICA's most important strengths, which relates to a more holistic approach on ICT4D. For instance, and this is just one example, the general objective of the Wi-Fi project is "to promote social development by implementing local wireless networks using Wi-Fi technology", and not the other way around.

This broader approach has provided creative solutions to the trade-off that apparently exists in defining social investment priorities in a context of limited resources. As Keith Bezanson stated in the Harvard forum, there are "more and more claims of areas that promise the highest returns to investment in poverty reduction", including agricultural research, water and sanitation, health services and of course education. More research is certainly required to establish a satisfactory base to justify ICT4D as an area of priority investment. Yet, ICA is already dealing with this trade-off in a creative fashion, for instance by promoting the use of ICT in health and education, showcasing the potential for ICT to facilitate access and enhance the quality of these services. Along the same lines, the proposal to establish ICA proposes a program that has an explicit focus on bringing ICT skills, experiences and networking exchanges to youth within the Hemisphere. Although this focus was not fully developed during the first phase, the role of youth cannot be underestimated. Young people can play a crucial role in designing and implementing pro poor strategies, in spite of some approaches that oppose the poor and the young.<sup>34</sup>

Local content and adaptation to local conditions has also been a key feature of ICA strategy and programming. As one observer put it, what counts is not connectivity, but connectedness. To take advantage of the new opportunities created by the ICT revolution, local knowledge, particularly the knowledge of women on how to solve specific problems of poverty, must be included in the content of the services that ICT provides. In fact, most of the projects sponsored by ICA are leading to the production and diffusion of local content within regional knowledge networks in various areas (e-government, e-business, aboriginal communities, etc.).

## Renewed importance of connectivity

Within the holistic approach to ICT4D referred to above, connectivity also has its role and ICA has from the beginning taken connectivity seriously. This means that it sees connectivity as more than hardware and tightly links it to social and development aspects. One of the major efforts in this regard has been E-link Americas, a project that aims at providing broadband Internet access for social and community development in Latin America and the Caribbean. The project is based upon two critical assumptions. First, it assumes that there is "a huge untapped market for value-added telecommunication services" in remote or rural areas of Latin America, given that so far "there has been no thrust to providing [satellite] services to rural communities on a regional basis." Second, the project assumes that there are "economies of scale that can be achieved by an open, standards-based, end-to-end broadband wireless solution, bundling both satellite based and Wi-Fi connectivity."

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<sup>34</sup> In a recent article on the digital divide, it is stated that "Rural ICTs appear particularly useful to the literate, to the wealthier and to the younger –those, in other words, who sit at the top pf the socio-economic hierarchy" as if the poor did not have children. See The Economist March 10, 2005.

The main available evidence on the “huge untapped market” includes statistics on the number of health centres, schools and municipalities throughout the Latin American Region that currently lack connectivity, as well as results from an online survey of satellite connectivity needs, with information on the willingness to pay for satellite internet connections. Yet, the primary clients of E-link during its first phase of implementation are expected to be multilateral organizations such as the World Bank, which are currently promoting important initiatives in the region such as the Caribbean Knowledge Learning Network (CKLN).

One of the main challenges that E-Link might face in the near future is related to the accelerated expansion of mobile networks. Over three quarters of the world’s population already lives within range of these networks, and the percentage is rising very rapidly.<sup>35</sup> Mobile phones are being used in amazing and unexpected ways, to the extent that they seem to represent the technology with the greatest impact on development and poverty reduction. They provide more illiterate-friendly services, and new technological breakthroughs could lead to the provision of cheaper broadband value-added services through the mobile networks.

In some countries the expansion of these networks has been impaired by poor regulation and deficient policies in the telecom sector. The ICA has actually contributed to strengthening regulatory capabilities throughout the region, by providing support to Regulatel, a regional organization that brings together the countries’ regulatory agencies. Yet, much more could be done in this regard. Some observers have pointed out that one of ICA’s weaknesses is its capacity to formulate policy recommendations to country governments. It is certainly important to have a repertoire of projects, but it is even more important to have a repertoire of policies and policy lessons drawing on best practices, but also on failures. There seems to be a significant demand for policy advice and national governments need a qualified partner such as ICA, who offers a broad perspective and is capable of providing support in designing and evaluating policies for the telecommunications industry and ICT development.

It must be noted in this regard, that ICA’s strategy has been informed by new political realities in the Americas and new thematic priorities, including economic growth with equity and democratic governance. In fact, it has responded relatively quickly, with proactive interventions and by promoting important projects. A case in point is the project that aims at enhancing the competitiveness of MSMEs in Central America, through expanding the uses of digital technologies as instruments for developing business skills, as well as various other projects on digital inclusion. The ICA has also contributed to democratic governance by supporting e-government development in Latin America and the Caribbean. Therefore, it is clear that the ICA has a potential contribution to enhance the quality and effectiveness of pro poor policies in the region.

#### **4.5 Relevance to the Institutional Landscape**

In each of the following sections, the review team synthesizes some of the perspectives on the relevance of ICA’s work for its constituencies and key stakeholders. It is important to note that the findings are not based on broad-based surveys of these sectors, but on a smaller sample of interviews and document review.

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<sup>35</sup> Ibid.

### 4.5.1 Summit Themes and Process

The ICA emerged from the Third Summit of the Americas and has remained relevant to this process. This is evident in the initial contributions of ICA projects to the broad social development and good governance goals of the Third Summit; the continued importance of connectivity and, more recently, the information economy for the Heads of State of the region<sup>36</sup> and, more importantly, its recent formal integration into the Summit process as a partner alongside other international and regional organizations. The challenge for on-going relevance to the Summit is for hemispheric leaders to recognize the Institute for the value that it adds.

Although still in early stages, ICA's work is contributing to the broad social development and good governance goals, as well as the connectivity agenda, proposed in the Third Summit. Its contributions lie in projects that provide instruments and tools to government, civil society, and communities. The themes of the Fourth Summit, "Creating Jobs to Confront Poverty and Strengthen Democratic Governance" emphasize job creation in the broader context of sustainable and inclusive development. In this area, ICA has begun its contribution through the ICT and MSMEs project in Central America that aims to improve competitiveness of this important sector of the regional economy.

The Declaration of Nuevo Leon, emanating from the Special Summit of the Americas on Connectivity, held in Monterrey, Mexico in January 2004, confirms the relevance of ICA and its Mandate to the member states. In their statement, the leaders "reaffirm our commitment to build a people-centered, inclusive, and development-oriented information society, inspired by objectives of social inclusion, poverty reduction, and progress in the framework of balanced economic and social development."<sup>37</sup> The Declaration goes on to emphasize the aim to "promote affordable access to ICT and encourage the full and active participation of civil society, including the private sector." The Special Summit followed the additional progress made on the Agenda for Connectivity in the Americas, through the Plan of Action of Quito (2003), where the role of ICA is explicitly mentioned in the document as "instrumental in promoting and advancing the guidelines, principles and action items set out."<sup>38</sup>

In 2005, ICA (at the prompting of FAC) requested participation in the Joint Summit Working Group (JSWG) and is now listed, on the Summit web site as a partner organization, along with the OAS, ECLAC/UN, IDB, PAHO, World Bank, IICA, among others. The partner organizations listed are regional or multilateral organizations. The members of the JSWG "have committed themselves to achieve greater presence of Summit mandates in their own agendas and in their technical and financial cooperation initiatives."<sup>39</sup>

In order to remain relevant to the Summit, however, some stakeholders note that the region's political leaders and senior civil servants must recognize ICA for its contributions. Stakeholders at FAC, in particular, expressed concerns about the visibility and positioning of ICA with this constituency. One of the concerns about ICA's first phase is that, while practitioners in the region may be aware of what ICA is doing, higher levels of government may not be.

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<sup>36</sup> Put forward in Special Summit of the Americas, Declaration of Nuevo Leon, Monterrey, Mexico, January 12-13, 2004

<sup>37</sup> Special Summit of the Americas, Declaration of Nuevo Leon, Monterrey, Mexico, January 12-13, 2004, p.7

<sup>38</sup> Agenda for Connectivity in the Americas, Plan of Action of Quito, Edition of March 5, 2003, p. 2.

<sup>39</sup> <http://www.summit-americas.org/eng-2002/summit-partners.htm>

ICA has taken the right steps in producing and distributing relevant material to Canadian missions abroad and having its program officers periodically visit the missions. However, diplomatic missions, as other large and multi-faceted organizations, experience and information and demand overload. Moreover, in some cases their channels of access to national governments may not be in ICT-related areas. In an effort to overcome this shortcoming in information flow to political leaders, this year, ICA has planned to attend Ministerial meetings leading up to the Summit, where it can also showcase and build support for its projects (such as the Network of Education Portals at the upcoming meeting of Ministers of Education in Trinidad and Tobago).

#### **4.5.2 Country Governments**

Since its origins, ICA's institutional matrix has been based on the relationships between multilateral organizations and country governments. ICA's hemispheric mandate calls for a close collaboration with governments, particularly as it moves into scaled-up regional initiatives, seeks to create regional public goods and continues to strengthen networks in key topical areas which are typically government functions (e-government, education, health, digital inclusion and knowledge economy). After a brief period of just three years of activities, the ICA has filled a void as a key player in the region, promoting and implementing the innovative use of ICT4D. In doing so, it has achieved institutional recognition due to its regional profile, particularly among multilateral organizations.

The potential for leveraging funds from multilateral organizations appears to be one of ICA's main strengths in its relation to country governments. Yet the development of political capabilities and commitments at the national level is a key condition for success in promoting the creative use of ICT4D, particularly in a context of fiscal constraints. There is an increasing demand for advice from the governments within the region on several issues, including regulatory reforms, investment decisions, relevant lessons learned in other national contexts, and best practices. ICA is very well positioned to draw from the experiences of Canada and other countries, developing partnerships among key stakeholders within the countries and across the region. It appears, however, that the spread of its efforts across a rather diverse portfolio of projects limits ICA capacity to respond to this demand.

ICA has as main partners in some of its larger and most important projects major governments in the region: Argentina (e.g. e-government), Brazil (e.g. E-government; Computers for Schools), Chile (e.g. Latin American Network of Educational Portals; E-government; Computers for Schools) and Mexico (e.g. @Campus). Some national governments, particularly large and more ICT capable ones, may recognize ICA both as a hemispheric institution with a regional mandate and as a representative of a national government. In these cases, the quality of the bilateral relationship could affect the quality of the technical cooperation relationship, including its scope and potential linkages. This is one of the features that add complexity to the ICA model.

It has been stated that "ICA will join efforts with the IDB and World Bank in developing an outreach program for Finance Ministers of the region. Support will be also provided to strengthen private sector partnership and having a dialogue with the European/LAC private sector."<sup>40</sup> A similar though more specific initiative has been proposed with regards to the project that aims at enhancing the competitiveness of MSMEs in Central America: ICA is in the process of leveraging funds from the IDB to implement the training phase of the project. Yet, as stated in our case study, country governments are facing tight fiscal constraints, which might limit the scope of this project. Some observers comment that more active support is expected from ICA in developing strategic alliances and searching for new sources of funding, in cooperation with country governments.

Another sphere of intervention that is relevant to country governments is related to developing linkages between private and public (including state) actors. In this area, ICA is expected to help articulate and manage alliances. Along this lines, it has been stated that "one of ICA's key roles is to support the development of linkages and trust necessary for the development of new partnerships and collaboration between different sectors and the different levels of government".<sup>41</sup> This was a recognized strength in the Wi-Fi Pilot project in Brazil.

### 4.5.3 Multilateral Organizations

Multilateral organizations, both regional and international, have gradually come to recognize the important and complementary role that ICA can play in ICT4D in the region. They appreciate ICA's capacity to identify the needs and reach out to micro-stakeholders and, particularly, to launch horizontal meso-level projects. Also highly appreciated, as mentioned earlier, are ICA's regional scope, technical proficiency, and flexible response capacity. In short, the multilaterals recognize that ICA has filled a critical role in the ICT4D arena in the hemisphere.

In spite of a positive assessment overall, it is important to note that multilateral organizations are made up of people who may not offer a consistent institutional perspective. Some respondents in this group are of the view that ICA was "lost" during the first couple of years, giving out grants to NGOs. Comments such as "Wasted time and money on things no one cared about. Marginal impact so far" are evidence of this perspective. Although these specific comments ought to be taken with a grain of salt, as they may reflect extreme positions or expressions of bureaucratic competition, they might signal a problem with ICA's image building. In this regard, they urge ICA to become a true convener of multilateral agencies, taking the lead in areas where it has a distinct technical advantage and expertise (Wi-Fi) or accumulated experience (e-gov). ICA's connectivity agenda would emerge from a comprehensive agenda developed in conversations with multilateral counterparts. Along this line, one weakness identified in ICA is a lack of "development baggage", which came as a surprise given its close association with IDRC. Although it is an isolated opinion, it might suggest the need for ICA to clearly articulate its development and policy-oriented competencies in addition to its well-recognized technical expertise.

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<sup>40</sup> Summary Discussion Notes, third meeting of the HAB.

<sup>41</sup> Ibid

#### 4.5.4 Civil Society Organizations

Civil society is a diverse and heterogeneous stakeholder group. In this analysis, the study makes reference to the different perspectives on ICA relevance from a small group of interviewees that are affiliated with NGOs in the region. The group is not a representative sample of this sector of organizations and the comments must be read in this light.

The brokering role that ICA plays in bringing together State and civil society sectors is recognized and valued by several respondents in this group. In Honduras, for example, one interviewee noted that ICA is recognized as the external entity that is most likely to work with civil society. Indeed, the support of ICA can be helpful in getting the government to open up to civil society in the process of defining an agenda for the information society. The critique to this brokering role, which is put forward by another interviewee, stems from a perception that ICA may not recognize that these actors – government and civil society-- do not enter the dialogue on equal footing (there are power differentials). This interviewee highlights the need to level the playing field for a dialogue to occur between these actors.

A sub-set of interviewees in this group share a perception that civil society is not a priority stakeholder group for ICA; to them, the State and the business sector appear to be more important to ICA's strategy. This perception exists despite evidence that civil society organizations have been and continue to be partners and participants in ICA projects. With the exception of the E-governance project, all of the case studies in this external review included civil society –either as participants or as partners in implementation-- although the sector may not have been the only target group of the project. The perception may partly be shaped by the fact that Pan Americas has had a strong emphasis on civil society organizations, and that it is now difficult for stakeholders that have been a part of that program to see where they fit in the multi-stakeholder approach espoused by ICA.

For a small number of CSO stakeholders interviewed, the biggest concern is the perceived shift towards the private, business sector. This shift has in their perception threatened their relationship with ICA, which has been deteriorating in their view as ICA, and then IDRC, "embrace" the private sector (culminating with the Microsoft agreement). As ICA demands higher levels of sustainability from projects, it may also disaffect certain segments of CSOs. As one interviewee described it, "What changed with the new relationship of tele-centres with ICA [in the Telelac II process] was that the result of the process disappointed ICA, because it proved the impossibility of self-financing and sustainability. IDRC would not see it as a problem because it has a broader mission." This statement may be misleading insofar as it fails to recognize that Telelac II was supported both by ICA and the Pan Americas program and that the latter has also promoted a sustainability agenda in its projects. The purpose of presenting these perceptions is to illustrate a gap between how ICA is viewed or perceived by some groups (admittedly a minority) and what it is doing in practice. It would become a problem for ICA if it becomes more widespread.

The issue of CSO representation in multi-stakeholder initiatives is always complex; who represents the interests of these organizations, or even sub-sets of these organizations? What is the best way to engage civil society? In the case of ICA, it is no exception, as mentioned by one of the interviewees who questioned the Institute's "mode in relating to civil society," and commented that the CSO representation on the HAB did not meet today's needs for representation.

### 4.5.5 Private Sector

Private firms and CSOs were both expected to play a critical role in promoting ICA's vision. Several stakeholders, across the board, note minimal interaction with private sector as a key weakness of ICA. It is important to note the contrast of this statement with the perceptions of some representatives of civil society organizations, which were noted above. These conflicting perceptions on ICA's strategy reflect some of the challenges inherent in balancing multiple constituencies.

The evaluation finds that ICA has been learning how to engage private sector in multiple ways through its projects, exemplified by the recent number of projects with this sector (ICT for Competitiveness of MSMEs in Central America, ICT Business Sector in Caribbean, Supporting the rise of E-business in LAC). Private participation in the ICT for competitiveness project involves CAATEC, a non-profit organization created by representatives of mostly large-scale corporations and a few people from the academia. However, the main beneficiaries of the project would be micro, small and medium scale firms. In the case of the Wi-Fi pilots, private firms are supplying the equipment and in E-link they provide critical services and play a more active role. As stated in the E-link business plan, satellite providers, together with stakeholders from the user community and the funding partners, are expected to share in management roles and responsibilities.

Inasmuch as these projects constitute unique opportunities for increasing ICA's collaboration with the private sector, its role in ICA's overall strategy has yet to be explicitly designed. The inclusion of private sector members in the HAB could contribute in this regard. Moreover, as noted by one stakeholder, ICA has something unique to offer to private sector firms willing to "invest" in ICT4D: it brings a "mixed" knowledge with access to networks and out-of-the-box thinking that the private sector does not have.

### 4.5.6 Other Founding Government Partners

The study finds that the ICA is generally relevant to the other stakeholders in Canada. The greatest evidence of this is the explicit support for ICA's work expressed in writing by the Working Group members at CIDA, FAC, and IC in December 2004. In this letter, they recognize several of ICA's flagship projects and they highlight priorities, concerns, and key events for ICA in 2005. They also agreed that a second generation of ICA should be pursued, subject to certain conditions (such as a positive evaluation and an updated mandate). Although their support was reiterated in the interviews, these departments also shared their concerns regarding the strategy, vision, and the ICA model or institutional arrangements. There are a number of perspectives about the future evolution of ICA and the kinds of achievements that ICA would have to demonstrate in a second phase of funding.

A common element of ICA's relevance to all of these partners is the extent to which ICA is a suitable vehicle for sharing Canada's expertise in the region. One refers to "an intrinsic capacity" another to a "vocation" for sharing Canadian experience. Stakeholders at both IC and FAC indicated the importance of ICA being a Centre of Excellence or a Centre of Reference – an initiative that is valued not for the funding but for the leadership (information, expertise, knowledge) that it provides.

For FAC, ICA offers the potential for “niche diplomacy” and ICA success is linked to diplomatic objectives. At the Embassies, the small sample of interviewees all stressed the “potential” relevance of ICA to the work of the missions that is, however, not always realized because of a lack of information or more structured knowledge about ICA. It must be recognized that ICA has also enlisted its Working Group to assist in diffusing information about ICA projects and knowledge produced by them to Canada’s embassies and missions in the region. Nevertheless, it appears that the shared roles in communication and dissemination have not always been effectively fulfilled. In cases such as Ecuador (a small mission by regional standards), where connectivity has been incorporated into the Embassy’s business plan, ICA is a particularly relevant partner for achieving bilateral objectives.

Relevance may also depend on the ability to generate effects in certain areas. For example, a key concern for FAC is the extent to which ICA projects can generate effects in governance. As one interviewee put it: “What can governments do to make life better for its citizens? If government gets on board, private sector will follow.” All three partners emphasized databases and information resources as relevant projects.

Impact at the community level is important to CIDA and interviewees at the Agency cited the natural match between CIDA and ICA on a project such as E-Link that facilitates community access to ICTs. This perspective has been re-enforced by CIDA’s financial contribution to the project. In addition, stakeholders at CIDA note the importance of capacity building to ensure that people use technology to derive development benefits.

## **5. Findings: Composition and Functioning of the ICA Model**

In this section, the evaluation team provides some reflections on the structure and operations of the ICA. Although the terms of reference for this objective refer exclusively to the assessment of composition and functioning of the program team, in the case of ICA, we have considered it pertinent to expand the analysis to the different components of the ICA model. As a result, this section discusses the strengths and weaknesses of the components of ICA’s model and the relationships between them, including:

- Incubation and integration in IDRC;
- Twinning with Pan Americas;
- The Hemispheric Advisory Board and the Working Groups; and
- Program team composition and functioning.

### **5.1 Overall Assessment**

The ICA model has brought new opportunities and challenges for IDRC. Although the process of integrating ICA into IDRC has not been seamless, most IDRC/ICA stakeholders note mutual benefits to the relationship. The concerns that are raised, generally around administrative procedures, do not appear to have affected ICA’s effectiveness, but they do reflect on its organizational culture. The results of “twinning” with Pan Americas are emerging on a project basis, in the identification of more general areas of common ground, and in more intangible ways. At the same time, the evaluation identifies the need to strengthen the relationship between the programs in a way that takes into consideration the identity and branding needs for each program, and more clearly explains the relationship between them for key external stakeholders (in Canada and in the region).

As per the commitment to Treasury Board, IDRC's Board of Governors and senior management have been responsible for the governance of ICA as a fully integrated project in IDRC's ICT4D programming area. Although the Institute may operate like other programs in the ICT4D area, several other components are built in to the program model, including the Hemispheric Advisory Board (HAB) and the Working Group of the founding government departments.

The study identifies several strengths in the HAB as a component in the ICA model, but also finds that it may be an underutilized resource. Some of the factors that limit its potential contribution to ICA include its composition, its understanding of its role, and the mechanisms that are used for engaging Board Members.

The ICA model has also brought sustained opportunities for IDRC to engage in integrated discussions with other government departments. IDRC has valued the interaction with and guidance provided by the Working Group. The members of Working Group, however, express limitations to the nature of the relationship that has evolved with ICA, in which their expectations about participation in strategic decision-making about ICA have not been met. The frequent rotation of members on the group has also affected the quality of the relationship. In the first phase, these issues have not prevented ICA from generating valuable results. The limitations illustrate the challenges inherent in managing the relationships and expectations of diverse constituencies and point to some weaknesses in the ways that ICA engages these stakeholders.

In general, the ICA team is recognized for its technical expertise and capacity. The two principal weaknesses noted in the team's functioning are: inconsistencies in internal communications and information management and the fact that the team is overextended –with E-Link Americas drawing considerable staff and especially management time in recent months. The program team may be too small to carry out its current activity level; team members express a particular need for an increase in administrative support for the program.

## 5.2 Integration in IDRC

The 2001 submission to the Treasury Board proposed that the ICA was to be incubated at IDRC for " a period of three years to become an independent hemispheric entity in year four."<sup>42</sup> It also specified that the Institute is to "be a fully integrated project into IDRC's ICT4D programming area."<sup>43</sup> In reflecting on the first phase, many stakeholders recognize the value of establishing IDRC as the home for the ICA. As they see it, ICA has benefited in a number of ways from IDRC's track record in ICT4D, credibility in the region, and its network of contacts. "ICA did not start from zero," but was able to build on the ICT4D program trajectory in the region. Furthermore, some of the other Founding stakeholders also perceive that IDRC's status has given it more flexibility than other government departments, which is necessary in the case of programming in ICTs.

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<sup>42</sup> The Treasury Board, Submission on the Institute for Connectivity in the Americas (ICA), p. 2, September 13, 2001.

<sup>43</sup> Ibid, p.3.

ICA also contributed to new ground in IDRC because it began to engage in the “leveraging of development projects or actually doing development investment,” which appeared to some to be one step away from applied research. Some interviewees perceive that ICA provided a base of experience that informed development of the more recent Connectivity Africa initiative. One of the benefits of the ICA model that is cited is that, together with IDRC’s participation in the G-8 Digital Opportunities Task Force (DOT-Force), it has brought the Centre more fully into the foreign policy community. The ICA model has opened new and sustained opportunities for IDRC to engage in integrated discussions with other government departments. As the 2003 ICT4D Report to the Board of Governors notes:

“The coordination of these elements of the foreign policy “family” [CIDA, FAC, and Industry Canada] in this has been educational and, in the long term, will be useful. This is a very new model, which engages IDRC as a “third party” partner in delivering Canadian international development programming.<sup>44</sup>”

### Some challenges along the way

In consequence with the Treasury Board submission, when ICA was established in 2001, both IDRC and the other Canadian stakeholders treated it as an initiative that would eventually become an autonomous, hemispheric organization. In fact, one of the proposed activities in year four of the ICA was the “incorporation of ICA as an independent entity.”<sup>45</sup> This vision of an eventual spin-off is reflected in program documentation (Establishment Proposal) and, as noted in the interviews, in the initial IDRC program management approach to ICA. Three years later, IDRC, with the advice and consent of the other founding government departments, communicated the shift in approach described in Section 2, in which ICA was developed “as a Canadian initiative, in service to the region”. In IDRC, another key decision made was not to spin off ICA, but rather to further integrate it into the Centre’s programming and management structure. The process of integration has not been seamless. Although the issues raised and outlined below do not appear to have affected ICA’s strategy and effectiveness, they do reflect some of the repercussions on organizational culture.

- Several of the difficulties in the integration of ICA into IDRC relate to what some people perceive as “different operating logics,” characterized by IDRC’s emphasis on research processes and ICA’s emphasis on leveraging connectivity projects.
- As a result, one of the challenges for ICA staff has been the compliance with IDRC administrative procedures for contracting, project approval, purchasing “when the Institute does projects that are very different from the research projects.” This has required adaptation on both sides and what one staff member described as the ability to “value” both of these logics. In the team’s review of ICA projects, we also note the efforts to fit the ICA project into an IDRC format, such as reports from partners that include sections on the “research problem” and “research findings”, when in fact it was not a research project.

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<sup>44</sup> IDRC, Program and Partnership Branch, *Information and Communication Technologies for Development (ICD4D) Program Area, Report to the Board of Governors*, October 2003, p. 13.

<sup>45</sup> The Treasury Board, Submission on the Institute for Connectivity in the Americas (ICA), p. 7, September 13, 2001.

- As one interviewee described, “we are, but we aren’t part of IDRC. We are always different or special.” This has contributed in some cases to an “assumption that ICA is going to be a problem,” at the time of engaging with other units at the Centre.
- One stakeholder external to IDRC also observed differences: “ICA is sort of run like a private sector firm, with more leeway than overall IDRC, and less red tape.”

In making the decision to fully integrate ICA into the ICT4D Program area, the ICA may now operate like other ICT4D programs in many ways, but with external advisory groups that have been overlaid to the traditional IDRC structure.

### **Perspectives on incubation and integration from external stakeholders**

The evaluation team finds different perspectives on the understanding of the current and future status of ICA among stakeholders. For IDRC senior and program management, the ICA is one of the Centre’s corporate projects. There is no evidence of plans to spin it off in the future, although stakeholders note that the spin-off of some of its projects such as E-link could continue to be part of the strategy. Yet a few of the ICA staff, and many interviewees in the other founding government departments, seem to anticipate a moment when ICA spins off and becomes a self-directed institution. These different expectations may reflect a gap in how information is communicated between IDRC/ICA and the other government stakeholders.

The divergence in expectations may also be explained by a difference in the vision for the Institute. The evaluation team found that the vision of a more “independent” ICA is shared by most of the interviewees in the other founding stakeholders (Industry Canada, FAC, CIDA) that we interviewed. This vision underlies some of their perceptions on the institutional arrangements and the roles of advisory and consultative entities, such as the Hemispheric Advisory Board and the Working Group, which are discussed below.

### **Twinning with Pan Americas**

In IDRC, the concept of “twinning” is used to refer to how an IDRC financed and a complementary externally financed program are integrated in management operations while maintaining separate brand and identity.<sup>46</sup> The twinning bond has been cited as an important feature in the development of ICA and Pan Americas, two corporate projects at IDRC that engage in ICT4D programming in Latin America and the Caribbean. These initiatives each have their own mandate as well as independent plans and strategies, embodied in the prospectus, for Pan Americas, and the Establishment Proposal, for the ICA.

The paper “The twinning bond: not too light, not too tight” (2003) suggests that ICA and Pan Americas are increasingly consolidating their relationship and advancing their working partnership. The paper presents a rationale for the two initiatives to move towards a twinning approach in which there is both formal and substantive collaboration between the two. The rationale includes capacity building, identification of best practices, enhanced program effectiveness, broadening the horizons of both programs, and networking.

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<sup>46</sup> The definition is taken from: IDRC, Program and Partnership Branch, *Information and Communication Technologies for Development (ICT4D) Program Area, Report to the Board of Governors*, October 2003, p. 13.

Recognizing that the application of the twinning bond and process is in early stages, the evaluation team notes examples of how this is now working on a project-by-project basis, in the identification of more general areas of common ground such as education, and in the intangible ways in which the staff of the programs engage with one another. As one staff member notes "the mail exchanges, comments, opinions, shared knowledge and IDRC's experience with an extensive number of recipients corroborate already established substantial synergies between both initiatives."

An illustration of synergy, collaboration and mutual benefits is emerging from specific projects, such as the competitive digital awards project known as FRIDA. Another example is the recent call for proposals for the applied research project on computer recycling that relates to the Computer for Schools initiative in ICA. Others include the Knowledge Economy Call for Proposals and Telework. As one staff member notes, these initiatives have become reality because of the combined skills of the staff involved, the areas of expertise, interaction and programmatic approach of each program, and the contribution of funds from both programs.

While Pan Americas has focused primarily on NGOs as a target group, ICA has aimed at building on this network and broadening the ICT4D work to other sectors. There are several Pan Americas partners (past and present) that have also participated in ICA projects. These include, for example, Fundación Chasquinet in Ecuador, Fundación Acceso in Costa Rica, and FUNREDES in the Dominican Republic.<sup>47</sup>

There are also some concerns about the relationship between the two programs and their positioning in the region and in Canada. Our interviews and observations reveal that external stakeholders lack clarity on the respective roles of the programs and the linkages between them.<sup>48</sup> One of the Canadian stakeholders perceived a potential "redundancy" among the programs, given that there is no clear illustration of "how ICA and Pan Americas either complement each other or run in different directions." In some public settings, such as the CFS workshop we observed, it may be that no differentiation is made to the audiences. Another interviewee put it this way: "the link is more than just research and implementation, but what is it?"

Several stakeholders in IDRC also pointed to the importance of the individuals and the relationships between them for the twinning process. These relationships between staff may be facilitated or limited by factors such as geography or even the natural chemistry that evolves between the staff members. The twinning process has benefited from the shared staffing arrangements that have been developed, although, currently, only one staff member is 50% ICA and 50% Pan Americas.

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<sup>47</sup> At the same time, one external respondent commented that "ICA was under pressure to demonstrate projects that differentiated its work from that of Pan Americas" and in the process, it may have missed some valuable opportunities to build on the capacities developed with partners through Pan Americas initiatives.

<sup>48</sup> Staff feedback indicates that since the twinning process is new in implementation, it has not been announced publicly, nor has it been the focus of any external dissemination piece. Hence, it is expected that external stakeholders do not have clarity on the concept or practice of twinning per se.

The evaluation team finds that ICA could benefit from solid research that informs the design of “practical” projects and, in turn, provides feedback on implementation. The rationale for a complementary relationship between the two programs remains valid. The concerns that have been noted above point to the need, already identified by Pan Americas and ICA staff, to consolidate the concept and, more importantly, the practice of twinning in the development of the upcoming Prospectus for both initiatives. In other words, there need to be clearly identifiable ways in which Pan Americas activities fit into ICA’s result framework and vice versa. The explicit linkages and planned results also need to be communicated to the Working Group. This process could help shape a systematic approach to cross-program synergy, nurturing, and learning. In doing so, it is also important to consider the identity and branding needs of both programs.<sup>49</sup>

### 5.3 Hemispheric Advisory Board and Working Group

As noted earlier, IDRC’s Board of Governors approved the establishment of ICA conditional to “the program being administered and governed in accordance with regular IDRC policies and procedures and financed by supplementary funding.”<sup>50</sup> IDRC has followed through with this commitment.

As part of the ICA model, the IDRC also proposed the creation of a Hemispheric Advisory Board (HAB), which would help guide the ICA and bring together ICT activists and practitioners from the hemisphere as well as representatives from CIDA, Industry Canada, and FAC. The role envisioned by IDRC for the HAB in relation to the governance structure is illustrated in Exhibit 5.1. Both the ICA Treasury Board submission and the Establishment Proposal make reference to the HAB. IDRC also created and chaired a second forum, not explicitly referenced in this early documentation, which brought together representatives of the founding Canadian government partners. This has been known as the ICA Working Group.

#### Hemispheric Advisory Board

The HAB brings together people from the public sector, multilateral organizations, private sector, academia, and civil society who provide advice and guidance to the ICA. The members of the Hemispheric Advisory Board were recruited and convened for a first meeting in Washington, D.C. in May 2002. The study identifies several strengths in the HAB as a component in the ICA model.

Several interviewees recognize the merit of bringing together the people who are on the Board (HAB) because, as one of them suggests, it represents a “collectivity of interests” that is drawn from diverse sectors. As such, the HAB helps to integrate the multi-stakeholder approach used in programming, into the structure of the ICA. IDRC and ICA management value the advice that has been provided by this group. The staff share several additional strengths to the HAB including the credibility that it gives ICA in the region and support that it provides as the “eyes and ears” for ICA in different countries. As one staff member described, “the HAB helps make the bridge between Canada and the Latin American reality.”

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<sup>49</sup> The External Review of Pan Americas will provide another crucial reflection on the twinning process. It also included a case study of FRIDA, one of the twinned projects.

<sup>50</sup> The Treasury Board, Decision of the Treasury Board, October 4, 2001.

The study also identifies key weaknesses of the HAB, many of them raised by the members themselves. These weaknesses relate to the persistent lack of clarity about the role of the Board, the mechanisms developed to make the HAB operational, and its composition. Another weakness, which is inherent to many volunteer bodies, is that the involvement of Board members is also affected by their personal commitment to ICA and the time that they can dedicate to ICA tasks. Finally, there is concern about HAB members' access to ICA funding for the initiatives that they may be involved in. The question raised is whether or not HAB members should be able to receive funding from ICA. Does the access to project funding introduce bias in their advisory capacity or in the relationship with ICA?

**Role**

ICA developed terms of reference (dated 2003) that describe the characteristics and terms of the HAB members, as well as their primary functions. These terms of reference – emphasizing the advisory capacity of the Board – were discussed and tabled at the first HAB meeting. An overview of the proposed functions and role of the HAB in relation to the governance of ICA is illustrated in Exhibit 5.1.

**Exhibit 5.1 HAB Role and Functions**

HAB Role in relation to Governance of ICA	Functions of HAB
<pre> graph TD     IDRC --&gt; Board[Board of Governors]     Board --&gt; SMC[Senior Management Committee]     SMC --&gt; ICA[ICA]     ICA &lt;--&gt; HAB[Hemispheric Advisory Board]             </pre>	<ol style="list-style-type: none"> <li>1. Advise on how ICA can promote the strengthening of democracy, the creation of prosperity and the realization of human potential, in keeping with the goals of the 2001 Summit of the Americas;</li> <li>2. Identify ways in which partnerships can be established to promote its work;</li> <li>3. Suggest ways in which Canadian and other expertise can assist the developing regions of the Americas through the use of ICTs for social and economic development;</li> <li>4. Provide guidance on the best methods for linking communities and individuals with a view to communicating and sharing experiences in ICT use;</li> <li>5. Advise on how ICA programs are responsive to the priorities identified by developing countries and executed in a manager designed to strengthen their indigenous capacities.</li> </ol>
<p><i>Source: ICA Deck May 30, 2001</i></p>	<p><i>Source: ICA, Structure and Process for ICA's Hemispheric Advisory Board, 12/10/2003</i></p>

Both the name of the body and its functions, provide for an advisory role. Yet as one respondent commented " a number of HAB members viewed their role as one which would evolve to a [governance] management function when ICA was "spun off" into a hemispheric entity." For many of the members and observers of the HAB that we interviewed, the role of the HAB today is ambiguous.

While some feel that the HAB is just a rubber-stamping body, others see some changes taking place. Many interviewees are not clear about how and what they actually advise on. They feel that they have limited input into orienting project selection, for example, or into an ICA strategy or business plan. This is a source of frustration for many of the members that we interviewed.

For some people, one of the implicit expectations for the HAB was that its members would help to leverage additional funding resources to ICA. Although this is recently materializing in the World Bank commitment to support E-Link through the CKLN, in general, it is an expectation that has not been met for most stakeholders.

### ***Mechanisms of engagement***

The questions about role and level of involvement relate directly to the mechanisms that have been established for engaging the HAB – several interviewees have stressed that the mechanisms present information, but do not invite input. Others say there is an overload of information, but no guiding structure and purpose for processing it.

It has been a challenge for ICA to engage Board members in mutually productive ways through meetings or other mechanisms. Five face-to-face meetings of the HAB have been held since the first gathering in May 2002. ICA staff also note that generally, the agendas have been driven by presentations, with little time for interaction and feedback on strategy and future directions for the Institute. This has contributed to a “show and tell” dynamic, as described by one HAB member. Although the meeting in Santiago in January 2005 began to break away from this format, in light of the continued lack of purpose and leadership, it did not go as far it could have. Members criticized even this last meeting for a lack of a planning agenda or time to prepare for it. They also complained that much of the information provided is loaded, pre-packaged.

Another concern expressed in interviews, and in correspondence from the Canadian stakeholders, is the cost of these meetings. While recognizing the benefits of face-to-face interaction, stakeholders suggest that there may be alternatives that would also showcase “the connectivity ethos in a cost-effective manner.”<sup>51</sup> ICA reduced the frequency of meetings from twice a year to once every nine months, but stakeholders still identify the need to review this mechanism of engagement. Finally, members complain that there is very little follow-up on their recommendations, failing to generate credibility and legitimacy.

Beyond the meetings, there have been steps taken to include Board members and get them more involved in specific projects according to their area of interest or expertise (education, e-government, regulations, etc.) and follow up actions in this regard. A number of the HAB members have been more directly involved in identifying and implementing projects with ICA staff and have played a critical role as the regional ICA representative in the country and region. The involvement that Board members have depends on the level of personal commitment, and the amount of time that they can dedicate to these tasks.

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<sup>51</sup> Correspondence to Ms. Maureen O’Neil, President, IDRC from Marc Lortie (FAC), Mary Carman (Industry Canada), and Guillermo Rishchynski (CIDA), December 6, 2004.

Since the early rounds of proposals, HAB members have participated on a volunteer basis in the proposal review process. Some stakeholders view this as a positive development, even though usually less than half of the members actually participate in the process (often due to time limitations). There is some dissatisfaction expressed by HAB members in relation to the follow-up to the proposal review, such as timely notification of the proposals selected, and information on the overall rating and key factors that influenced the final decision. One interviewee suggested a lack of understanding of the overall process and logic for project selection in ICA.

However, as one member warned, more structured rules of engagement between ICA and its Board could also lead to a less flexible board. What members call for is an articulation of their rights and duties. Any change in role or additional engagement of the HAB would require even greater effort from ICA to nurture and sustain the relationship.

### ***Composition***

The limited involvement of the private sector as partners in ICA programming (noted in Section 4) is also seen in the current composition of the HAB (where 2 out of the 16 members are from the private sector). Several interviewees comment on the need to expand the private sector's participation in this advisory body, and particularly on the need to include representatives from the Canadian private sector.

Another weakness cited relates to the selection criteria for participating on the Board. For example, it is unclear for many stakeholders whether the members are named as individuals or as representatives of their institutions. Several stakeholders comment that some members have changed positions, but continue in their capacity as Board members, which could compromise ICA's desire for some sectoral representation.

### **Working group**

In order to bring together the founding government departments of CIDA, FAC, and Industry Canada, IDRC created and chaired the Working Group, with representatives of each department. In the initial phase of ICA, the Working Group participated in discussions on the definition of mission and initial strategy and identified possible HAB members. The Group was also involved in the process of hiring the Managing Director. The number of meetings held in late 2001 and 2002 illustrate the intensity of the activity. Since then, the Working Group has met 4 to 5 times a year.

From an IDRC perspective, the departmental Working Group, and the high-level guidance that it provides, has been essential to the development of ICA. ICA staff members describe strengths in this relationship, citing for example contributions that members have made in facilitating contacts, informing them about initiatives and positions of the Canadian Government that facilitate ICA's participation in these initiatives, and representing ICA at key events. In the words of one respondent, the advisory groups bring to ICA "more people to carry out the mission."

There have also been some weaknesses in the relationship. For example, there has been turnover in the Working Group, with 5 different members from Industry Canada, 5 different members from FAC, and 4 different members from CIDA participating in the Group. Even though the working level and HAB-level members from these departments serve concurrently, the turnover does present challenges for ICA in that it results in loss of corporate memory and adds to the administration of the process, by requiring more frequent orientation of new members. In addition, there is a perception that each member brings a personal perspective to the table (not necessarily an institutional perspective)<sup>52</sup>. This dynamic has limited the continuity and consistence that can be essential in the development of new initiatives. Furthermore, the meetings management (preparation, coordination, follow up) does put some strains on a team that is already fairly stretched in its staff resources.

The members of the Working Group, on the other hand, also express limitations to the nature of the relationship that has evolved with ICA. At one level, there was an expectation on the part of most of the members that the founding government departments would have a more privileged relationship with ICA. Although the Institute was to be housed in IDRC, "the vision would continue to be shaped by all four founding partners." From their perspective, the Working Group has not provided this kind of a forum. The meetings of the Group have been a space for information sharing (where *faits accomplis* are presented), but have not been a platform for more active consultation and input on strategic issues. The efforts to seek additional information from ICA have often been frustrated. These dynamics have contributed to widely held perceptions that the Working Group is an "afterthought," "unwanted" or even "a nuisance" for ICA.

Most of the members of the Working Group suggest the Group's role would need to be further "defined and institutionalized" in the next phase so that it has more of an "on-going role" within ICA. In this process, the broader question of the role of other government partners in the decision-making process of ICA would also need to be addressed.

The evaluation team finds that the multiple stakeholders engaged in the ICA model have had expectations regarding their participation in strategic decision-making about ICA that have gone unmet. The model has also placed additional demands on the small ICA team and others in IDRC. In the first phase, however, these issues have not prevented ICA from generating valuable results. The issues have illustrated a weakness in communicating with these stakeholders and a learning curve for ICA in the management of the relationships, expectations, and multiple demands that will continue to be an important dimension in its model.

Despite some of these challenges of managing expectations and demands, the value of the model must also be recognized. One of the interviewees reminds us that in current government practice, there are few examples of effective horizontal cooperation among government departments. ICA can offer such a model. As a "whole-of-government" approach to public service in Canada takes hold, it is to be expected that some of the early initiatives (including ICA) will require fine-tuning over time.

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<sup>52</sup> In the feedback to the draft report, the Working Group clarified that the views of members are institutional and not personal in nature.

## 5.4 Program Team Composition and Functioning

In this section, we turn to some of the strengths and weaknesses in program's staffing and functioning.

ICA is made up of a relatively small team, based in Ottawa and Montevideo, which brings a blend of technical and sector expertise. The staff list from October 2004 includes 14 people, several of them are shared with Pan Americas (with 50% of the time allocated to ICA) or are interns who engaged only for shorter periods of time. Most of the ICA staff that came on board in 2001/2002 is still with the Institute. The key changes in staffing arrangements raised in our interviews are: a reduction in Communications staff resources, changes in the positions of several staff members, turnover in the administrative coordinator position, and the transfer of staff resources to E-Link Americas. The transfer of resources to E-Link Americas has placed a significant strain on ICA in the past year, drawing a significant amount of time from some staff members and particularly from management.

Overall, stakeholders note that the ICA has a strong team that is recognized, above all for their technical expertise and capacity. One of the project partners suggested that the staff at ICA "know what you [the partner] are talking about" and are able to give advice and direction to help take the project from concept to implementation. Interviewees at some multilateral institutions voiced the same appreciation of ICA expertise.

The following reflections were shared with us in the course of the interviews with the aim of improving the team's functioning and ICA effectiveness.

- Although some staff members recognize the strength of a small team, citing the virtues of more horizontal work processes, most indicate that the team is too small to maintain its current activity level. The greatest need is for additional administrative support staff.
- The team resources recently have been put to the test with the launch of E-Link Americas. There are perceptions among staff that the efforts invested in this important project have understandably but disproportionately absorbed team resources, including management guidance, from other ICA initiatives. This has coincided with a period in the ICA's development that has also demanded an additional investment of time and resources in the broader positioning of ICA, both for its funding renewal, and for the report back to the Summit of the Americas.
- There are also some inconsistencies in communicating and sharing of information among team members. As a result, staff members may find out about an ICA initiative during a field mission, from an external stakeholder, rather than from a colleague. In the case of E-Link, staff members also indicated limited flow of information on the status and rationale for decisions made. The weakness in information sharing affects ICA's work when it limits a staff member's ability to engage in more appropriate and strategic ways with ICA's external audiences.
- Another issue affecting the team's effectiveness, although cited by a smaller number of stakeholders, is ICA's limited physical presence in the region. These respondents have a sense that ICA could provide a stronger service to the region by being closer to the "action", either by spending more time physically in LAC, having satellite offices, or through partnerships. These interviewees suggest that an office in Montevideo may not be enough of an entry point for the Institute's work in LAC.

- The tools that ICA uses to communicate with external audiences have been recognized as part of its communications platform (Section 3.3). Comments emerging from a number of the interviews with internal and external stakeholders suggest that ICA should continue to emphasize the external communications function. There is a need for external stakeholders to be informed about the Institute, its strategy, progress on certain projects (e.g. E-Link), its achievements, etc. As noted earlier, communications with external audiences is particularly important this year and it may be that the level of staffing in this area (as of February 2005) would need to be assessed in light of the requirements to implement the communications strategy.

## 6. Conclusion and Perspectives on the Way Forward

In this section of the report, the evaluation team shares final reflections on the first phase of ICA and several perspectives and issues that could be considered by Management and staff in the Institute's future development.

By way of conclusion, it is important to consider the big picture for ICA performance. The big picture looks at ICA's strengths and weaknesses in light of the resources allocated and time frame established for it as a new initiative. Overall, our sense is that ICA was asked to do a lot within a short period of time. The size and diversity of countries in the region, and the fact that ICT4D is both a moving target and one that diverse stakeholders are only starting to grapple with, begins to give an idea of the magnitude of the task that ICA set out to accomplish. This evaluation illustrates that time and effort have been required to identify new ideas, develop and cultivate relationships with different actors, establish a brokering and mediating role among stakeholders, articulate a group of advisory bodies, explore programming approaches, etc. Yet as it nears the end of the first phase of operations ICA can report on tangible achievements that are already producing or promise to yield intermediate results.

The \$20 million investment has been small in relation to the challenge of the mandate and the demands and expectations of ICA constituents. It seems, however, that this level of resources has been sufficient at least in the first phase, to achieve initial project results and the establishment of a new programming model. While there are ways in which ICA can improve its performance, the foundations for broader impact have been laid.

A second phase, however, will raise the bar in terms of the expectations for ICA. The following sections contribute selected elements that may assist in constructing a second-generation strategy after 2006. These sections do not intend to be exhaustive, but rather to underline themes that emerged in the interviews and that, in our view, may be important for ICA and its role in the ICT4D, regional, and Canadian contexts.

### Vision for ICA

Given the broad mandate and vision established for ICA at its inception, it is no surprise that people began to create different expectations and visions for the Institute. After a first phase of operations, stakeholders from the founding government departments put forward elements of a vision for ICA in Phase II that were sometimes contrasting, yet often complementary.

For example, most of the stakeholders envision an ICA that is a Centre of Reference or of Excellence for best practices in connectivity/ICT4D for the region (a single window, repository model). These stakeholders suggest that ICA should be recognized as a place where one can find best practices, a reference point for any country in LAC wanting to develop a Connectivity agenda for their societies. A country can come procure experience at the Centre with Canadian flavour, add expertise from elsewhere, and adapt it to local conditions. Then, the countries would (in theory) obtain financing from WB and IDB to finance their connectivity agenda or program. Current examples of projects foreshadowing such a strategic vision are e-gov for LAC (Argentina, Brazil, Chile) and Computers for Schools (Chile). In this model, the emphasis is more on quality and on ICA as a "leadership" institution, rather than ICA as a funding program.

This concept could also encompass the view that ICA should focus on creating "franchise models", in which the experiences and lessons in the application of ICT4D strategies in the region (e.g. school nets) are collected and shared with others. From this point of view, ICA acts as a knowledgeable facilitator for country stakeholders in the region.

Another perspective, put forward by one of the interviewees, takes the vision a bit farther, by spinning off ICA as a Canadian executing agency responsible for promoting ICT4D technological innovation, transfer and training, including the provision of seed financing for joint ventures in the Americas. Under this scenario, ICA would become the sole provider of Canadian ICT4D/connectivity technology, programs and know how, devolved from other government departments. It would act as an innovation and tech transfer centre.

The discussion of the visions also revealed some of the stakeholders' more concrete expectations from the second phase of Canadian government funding. Some of the expectations put forth include: the need for ICA to identify the 3 or 4 activities/projects that are its indispensable trademarks; the need for ICA to ensure clarity in its value proposition in this second phase; and the notion that the phase should be planned with the end in mind, since it would likely be the last round of Canadian government funds.

## **Institutional arrangements**

The ICA institutional arrangements or model create some concerns among the founding government departments. At the centre of this, is their general sense of dissatisfaction with the mechanism/approach for engaging the departments. In their current role they feel that they have lacked the opportunity to provide more strategic orientation to the Institute (reported in Section 5 of the report). This leads some to argue for the need for ICA to spin off from IDRC, suggesting that as an independent entity all of the stakeholders could have a greater role in strategic decisions. For example, one of the stakeholders proposes that ICA become a non-profit organization in Canada, with a board of directors that includes all of the founding government departments. Others just see a need for better clarification to external institutional stakeholders of the "rules of the game" in the current mechanisms, of the tightly-coupled cooperation between IDRC and ICA, and more specifically, of the role of the external stakeholders in this structure.

A related issue is the future role of the HAB. Many stakeholders (almost all of the members of the HAB that were interviewed) noted the need to change this role in such a way that the parameters and mechanisms for providing advice emphasize more strategic elements. The composition may also need to be reviewed, as some stakeholders note that it has become outdated.

## **The need for a strategic dialogue**

The differences in perspectives shared with the evaluation team suggest that before preparing the submission to Treasury Board, and in order to facilitate that process, it would be useful to have a high level dialogue that engages Canadian stakeholders in discussions of the expected strategic outcomes for ICA and of the general operating parameters for the second phase. These discussions could aim to clarify issues such as: the Canadian-Hemispheric dilemma and how it will be handled in phase two; the relationship between ICA and Pan Americas, and how this will evolve; and the role, expectations, and alternatives for engagement of Canadian stakeholders. The discussions may not seek a definitive conclusion, but collective support for a set of ideas, parameters, and time frame for achieving greater clarity on some of the issues.

## **Emerging directions for future programming**

Both internal and external stakeholders provided some ideas about the directions for future programming. Again, the ideas that we share below are not meant to be exhaustive. In reading them, it is important to note that the strategy that is currently unfolding yields elements that can be merged with emerging needs and thrusts to form a post-2006 program strategy. The widespread recognition of some projects such as @Campus epitomizes this unfolding strategy. This project, for example, stresses a broad yet focused reach (public servants), a clearly identified social demand (education) and policy goal (state modernization); strong partnerships with actors with multiplying powers (national government) and strong regional scalability.

Thus, in addition to elements of the current strategy, the new ideas for programming directions share what seem to be three main emphases: 1- further engagement of the private sector as a partner in ICT4 development; 2-an increase in the ICA's role as a facilitator of dialogue to promote connectivity agendas; and 3-a stronger emphasis of ICA as a promoter of transparency.

One idea that is shared by several stakeholders is that ICA could work more closely with the Private Sector. While it is true that the number of private companies and the number of CSOs participating in ICA projects is quite similar (10 versus 15, respectively as reported by ICA in the feedback to the draft report), the nature of this participation varies, with firms acting as equipment suppliers (Wi-Fi demonstration projects), service provider (@Campus), business partner (E-link) and active partners (Alooo.com project).

The latter project is an example of an emerging trend in which the ICA is assisting a private company at both extending an innovative demonstration of an ICT function (a way to process remittances that is cheaper, faster and offers a greater reach) that will greatly impact a group of people without access to ICT and scaling up the venture to other countries in Central America. Moreover, it is doing so with an innovative project arrangement that when proven, might also be able to illustrate how to develop links between civil society organizations and private sector in its quest for sustainability. The learning to be derived from this venture in the coming year could show that the private sector can be an increasingly important sector in ICA's future strategy. In order to remain relevant in the digital gap field that moves constantly, one needs to ensure private sector involvement. Current examples of projects foreshadowing such strategic programming are the Supporting the rise of E-business in LAC, ICT for Competitiveness of MSMEs in Central America, and Telecentres with Microsoft, which is actually another project of IDRC.

There are a number of perspectives on how ICA should be involved with the private sector. One view indicates that ICA must engage more with private sector in the context of helping to create an environment conducive to entrepreneurship. The principal theme of the 4<sup>th</sup> Summit of the Americas is to "Create Jobs," but this is clearly in the sense of governments creating the conditions and environment for job creation by the private sector. ICA, as a partner institution to the Summit process, must partner and work with the private sector to fulfil this mandate, but its focus would be in the work with governments and communities to create conditions for generating employment. Another view sees ICA as "leading the market" with demonstration projects that subsequently appeal to investment from the private sector; a related perspective sees ICA ensuring that the private sector that already invests in ICT4D also invest in the "base of the pyramid," entering the area of corporate social development. Others, however, see that ICA's role should be to invest where future investments from the private sector may in fact be unlikely.

ICA is uniquely qualified to serve as a bridge between public and private sectors. Public-private partnerships are becoming a key for developing infrastructure projects in the region, including digital inclusion and digital drivers of competitiveness and job creation. The rapid pace of technological change and ongoing rationalization in digital services is increasingly challenging regulatory frameworks. The recasting of these frameworks will have to take into account this emerging business structure as well as the current limits set by the digital divide on market expansion and deepening. Firms are aware that technology alone will not do it. A new regulatory framework will need to be sensitive to business market blockages and the need for an incentives system that nudges firms towards the bottom of the pyramid. More importantly, the framework should create an institutional environment conducive to the creation of sustainable and value-added jobs and the integration of SMEs both for digital inclusion and as digital drivers (content generators, knowledge economy managers). In this sense, ICA can play a key role as facilitator of such a dialogue, provide the intellectual underpinnings (institutional and policy analysis) for it to become reality, help in defining the goals, and assist in the common design of a roadmap.

Other perspectives on future programming emphasize the need for ICA to assist stakeholders in mainstreaming ICTs into development plans, national strategies and poverty reduction programs through facilitation of dialogue among functional (planning, executive and financing) and area (education, health, social development) stakeholders to design and implement connectivity agendas. Current examples of projects foreshadowing such strategic vision are ICT Governance for Poverty Reduction, E-Health Intuitive Cooperation Platform and Educational Portals Network. The integration of ICTs into national strategies and plans will also require ICA to engage with civil society and play a bridging role between sectors.

In a third set of ideas, the thrust is that ICA continue making contributions to good governance and accountability in order to improve transparency and thus strengthen democracy, one of the Summit themes. Further exploration of ways to engage groups involved in these themes such as parliamentarians and government decision makers could be made. Current examples of projects foreshadowing such strategic vision are @Campus, FIPA-Virtual Parliament of the Americas, and Iberomunicipios Awards Program.

## Reflections on ICA in the Knowledge Economy

In closing, the team would like to offer some reflections on the knowledge economy thrust in programming that is coming to the forefront in ICT4D and discuss some of its implications for ICA. Although ICA has already begun work in the knowledge economy, embracing this area may require a greater change in the way it operates. A few points come to the forefront in thinking about a strategic agenda for ICA in the knowledge economy.

**First**, one has to note that discussions among multilateral and related organizations in the region connectivity in the region and globally have evolved since 2001. Access remains an important theme, in these discussions, but others have joined it such as sustainability, Internet governance and the emerging issues of content generation and information / knowledge economy. Similarly, as it was noted by a private sector stakeholder the very concept of access has evolved into two issues: 1- accessibility, there may be connection potential but not accessibility, and 2-usability, related to content relevance. This shift has been already recognized by IDRC ICT4D program area, but the implications for analytic interpretation and policy work have not been made as clear.

"a. From Access to Information Economy... Programming in CS+PF 2005-2010 will place greater focus on issues associated with the information economy, opportunities, and challenges. An exploration to deepen our understanding of some of the related issues is underway. It combines the work of several ICT4D programs and Social and Economic Policy's (SEP's) Trade, Employment, and Competitiveness Program Initiative.... As well, ICT4D will participate in the Centre-wide exploration on the role that entrepreneurship and the private sector play within the information economy in the developing world." [*Program Framework 2005-2010 - Proposal Submitted to the Board of Governors - Program and Partnership Branch - International Development Research Centre, Ottawa, Canada, 2 November 2004*]

**Second**, in the previous access paradigm, seed funding for demonstration seemed to be enough, but end-users in fact require additional staged finance and further additional assistance. ICA seemed to be acting as a venture capital fund, but in fact it behaved more as a passive diversified investor, particularly in smaller innovation demonstration projects with scalability potential. That is, ICA puts in critical seed capital for the conception, development and implementation of the project and does some basic networking for launching the project, but it does relatively little yet to provide additional social and network capital necessary for the project to move to the next stage of growth, thus improving its chances of sustainability. The issue is not the level of involvement of ICA at the launching and early stages of the venture - conception, development and implementation but rather the shifting division of labour over time between the project and ICA and the need for re-assessment of the critical functions that ICA might perform at each stage of evolution of the project. As the recipient's (project implementing partner) capabilities evolve so do the project's needs, but these may not always match. A new strategy would call on ICA to use in a more sustained and continuous manner its social and network capital accompanied by the establishment of milestones and appropriate incentives for the partner to continue improving and extending the project, as well as striving for sustainability. In this way, ICA could build a portfolio with a wider range of risk levels, and corresponding upsides (social impact).

**Third**, in the emerging ICT4D information economy framework, where uncertainty is further compounded by rapid transformations in the global political economy, identifying opportunities, managing challenges and their associated risks, and generating collective value from private value addition will become paramount.

Major characteristics of the knowledge economy are entrepreneurship and innovation. Their incentives drivers are distinct from research drivers of the past as knowledge production for innovation demands complex multi-stakeholders collaboration (e.g. ITAFE project) and localized systems. Local systems of innovation also require a set of institutions and practices in which trust critically underlies common learning and joint monitoring. In that respect, it demands arrangements that go beyond current competence clusters and learning networks, due to their dynamic and recurrent learning and monitoring requisites.

Stakeholders already recognize ICA as a risk-taking institution capable of bringing together multiple stakeholders. But the approach to risk it may have to adopt in the future is different. It may have to manage it rather than seek to avoid or reduce it. In a sense, the decision to engage in E-link reflects this, as it assumes a social impact with a large multiplier effect from its initial investment. In this paradigm, risk prediction loses weight in favour of pragmatic dialogue. Applied research becomes only one component in defining programming areas and building strategy because increasingly these need to unfold from continuous dialogue among multiple stakeholders. A critical aspect is the timely monitoring and evaluation that feeds back into learning among the stakeholders and informs the setting of new goals and strategies without losing sight of the commonly agreed objectives (Sabel 1994). Thus, there is a need for an accountability framework with clear statements of intended results. ICA's work in knowledge economy would need to draw equally on applied research, dialogue building, and a continuous process of monitoring and learning.

**Fourth**, technology, scaling up and the resulting critical mass will remain important factors in dealing with remaining and renewed problems of access. However, this approach may be less directly relevant to an information economy that is driven by needs heterogeneity, entrepreneurial flexibility, and localized innovation. Competing, decentralized and locally embedded financing sources and quicker experimentation form the basis of a more converging approach. There, technology and scale are important providers of the means for increasing experimentation. Towards a New Strategic Framework

The evaluation team suggests a few themes that the ICA ought to reflect upon in the near future as it develops a new strategic framework for its second phase.

One of the first points to raise is the importance of continued entrepreneurial learning from failures, which may partly substitute for the (ever frantic) search for "the best practice." In addition, a stronger and quicker pace of collaboration on start-up ventures coupled with modular financing mechanisms from various sources (linked to clear and well-defined sustainability and reach milestones) may eventually replace the coordination of a common ICT4D agenda for donors, reducing related transaction and information costs.

A second element is the importance of building a portfolio with an eye towards the social value proposition of projects, measured by their potential social impact (thus demanding finer and highly quantitative assessments, such as a CFS case study on long-term economic analysis for social payoff value of current computer recycling practices). This approach would complement objectives derived from higher order aims (strengthen democracy, create prosperity) that are translated into the mission-level goals of partnerships, networking, and capacity building. In this regard, the evaluation team stresses that in addition to pursuing high-level objectives, the ICA will increasingly need to demonstrate the social value proposition of its work, which can be used to reduce risk to potential financial partners and executive stakeholders.

Recently, in the knowledge economy, the start-up entrepreneurial ventures that drive its growth face a larger equity gap between traditional research funding and venture capital funding, the so-called "valley of death," where ventures fail for lack of adequate financing and growth-stage specific relevant expertise. In an analogy, start-up ICT4D projects increasingly face a financing gap that limits their potential sustainability. This gap is further compounded by a knowledge gap among project stakeholders about alternative paths for increasing social impact. That is, stakeholders and donors alike are unable to fully predict at the onset of the project the expansion of their social impact due to unknown risks and uncertainties as the project is implemented. In fact, as the project unfolds, stakeholders need to re-evaluate its social impact (upside) and redefine its strategy to maximize this impact. This requires a more focused and continuous interaction between stakeholders and donors, nowadays made possible by ICT. Yet, these new gaps are widening due to the rapid expansion and growing complexity in the interaction of ICTs, organizations and society that increases and widens in scope and uncertainty. It can thus be suggested, that ICA's future role hinges upon a strategy that contributes to these peculiar financing and knowledge gaps in a way that expands the volume and range of project experimentation and enhances entrepreneurial learning at the project level.

These elements may provide one possible framework for assessing future options for ICA and determining how ICA could continue to maintain a distinct lead in the ICT4 development market as it evolves into the "knowledge for development market," and the programmatic, operational, and organizational implications of such a shift.