

Memorandum of Understanding (MoU)

World e-Trust

1. *CONSIDERING that* the International Telecommunication Union (hereinafter referred to as “ITU”), having its Headquarters at Place des Nations, CH-1211 Geneva 20, Switzerland, is an international organization where Member States and Sector Members cooperate to attain ITU’s purposes, in particular, the development of telecommunications and the harmonization of national telecommunication policies;
2. *CONSIDERING that* the Telecommunication Development Bureau (hereinafter referred to as “BDT”) is the executive arm of the Telecommunication Development Sector of the ITU (hereinafter referred to as “ITU-D”), whose main responsibility is to foster telecommunication development in developing countries through policy advice, provision of technical assistance, mobilization of resources and initiatives to extend access to under-served communities;
3. *CONSIDERING that* pursuant to the provisions of the Valetta Action Plan (hereinafter referred to as “VAP”) adopted by the World Telecommunication Development Conference held in 1998 (hereinafter referred to as “WTDC-98”):
 - ❑ BDT should work closely with the private sector to ensure the successful implementation of its Action Plan (VAP), and ITU should make efforts to encourage the private sector to take a more active part through partnerships with telecommunication entities in order to help close the gap in universal and information access (Res. 6);
 - ❑ ITU-D should be the intermediary, facilitating development partnerships among all parties, e.g. by encouraging regional telecommunication projects, to promote transnational partnerships of knowledge-based enterprise incubators and emerging companies in the telecommunication sector, involving Developing Countries (Res. 13);
 - ❑ Providers of telecommunication equipment and services should make new technologies and know-how available to their customers in Developing Countries, and international organizations and donor countries are requested to assist Developing Countries in exploring ways and means of improving the transfer of technology, including technical and financial assistance (Res. 15);
4. *CONSIDERING* the need for a cost-effective approach to assist Developing Countries in their transition to the digital economy;

The Signatories to this Memorandum of Understanding (hereinafter referred to as “MoU”) hereby agree to voluntarily cooperate, according to their respective roles and competencies, as follows:

I. Objective

1. To leverage on the potentials of Internet Protocol (IP), digital mobile and other new technologies to provide sustainable e-services¹, the security and trust concerns² related to the use of public networks must be addressed. By identifying the requirements for secure e-services, a cost-effective approach is to build a common platform on which specific sector-based applications (interoperable with the common platform) can be run to provide the desired e-services. This approach takes advantage of economies of scale in reducing the overall deployment cost without any impact on the security requirements. The objective of this MoU is to establish an inclusive, technology-neutral and technology independent framework for contributions towards a beneficial, non-exclusive, cost-effective and global development and deployment of highly secure infrastructure and applications for value-added e-services in Developing and Least Developed Countries worldwide. Through value-added e-services, various sectors in developing countries will participate in the development, investment and use of new technologies thereby stimulating the development of the telecommunication infrastructure, creating socio-economic benefits and contributing towards building a truly global information society.

From this broad and neutral platform, ITU aims to create an environment that will encourage Member States, Sector Members, industry partners, intergovernmental and other international organizations and all other interested entities to make various types of voluntary contributions aimed at the development of effective, useful and self-sustaining Projects for the deployment of infrastructure and applications for value-added e-services by collaborating and coordinating their activities within their respective areas of competence in the spirit of this MoU, towards the objective (Paragraph 1.) established under this MoU.

II. General

A. Definitions

The following definitions shall apply to this MoU:

- a. “Member States” are the States that are Member States of ITU in accordance with Article 2 of the ITU Constitution.
- b. “Contributing Entities” are the public or private sector entities/organizations that have signed this MoU and provide contributions (in cash or in kind) to implement the Project activities by the different Working Groups.
- c. “Developing Countries (DC)” are those Member States that have been designated as DC by the United Nations.

¹ Value-added services for the business, government, financial, health and other sectors. This includes services such as digital certification, e-commerce, e-business, e-government, e-payment, e-work and e-health.

² Lack of security has been identified as one of the main barriers to the widespread use of public networks for critical applications in the business, financial and government sectors. To address this concern, e-services solutions should provide strong identification of the parties to an electronic transaction (e.g. using digital certification), ensure the integrity of all data, and provide data confidentiality and non-repudiation or non-deniability of transactions.

- d. “Least Developed Countries (LDC)” are those Member States that have been listed as LDC by the United Nations and those determined by the ITU Council, in accordance with Article 33 of the ITU Convention.
- e. “Participants” are public or private sector entities from “Member States” or intergovernmental or other international organizations that have signed this MoU and are directly involved in the use of the technologies and services being deployed under a given Working Group within the framework of this MoU.
- f. “Project” means a clearly defined set of activities in pursuance of the objectives of this MoU to be implemented in a specific Member State.

B. Principles

The following principles are adopted:

- a. The framework created by this MoU will not favour any specific technology, company or groups of companies but will seek to provide equal opportunities to all Entities wishing to be involved in Project activities within specific Working Groups specified in this MoU.
- b. For each Project, the requirements to meet its proposed objectives will determine what technologies and which companies or group of companies will participate, with the possibility of modification of such parameters as the Project evolves.

III. Self-Regulatory Framework: Bodies Relating to or Established under this MoU

The self-regulatory framework under this MoU will consist of:

- a Depository,
- a Steering Committee, and
- Five (5) initially defined Working Groups.

1. Depository:

The Signatories agree that the Depository of this MoU will be the Steering Committee. The role of the Steering Committee as Depository will include:

- inviting Potential Contributing Entities, Member States and Participants to become signatories of this MoU;
- making information about this MoU readily available to all Signatories and potential Signatories;
- maintaining and publishing periodically an updated list of Signatories;
- facilitating further cooperation in the implementation of this MoU.

2. **Steering Committee:**

This committee shall consist of:

- Two (2) members from ITU (chosen by ITU) one of them, at least, involved in the activities undertaken within the framework of this MoU;
- One (1) member per Contributing Entity who has made significant contributions³ towards activities to be undertaken by one or more of the initially defined Working Groups;
- Ten (10) Member States (representing all administrative regions of ITU) that are signatories to this MoU;
- One (1) member per Working Group representing the Participants of that working Group.

The Steering Committee shall have a maximum of twenty-six (26) members with at most nine (9) seats for Contributing Entities. The variable part of its membership shall depend on the participation of Contributing Entities.

The Steering Committee will have a Chairperson and a Secretary. The Chairperson will be elected annually from its members, with the possibility of re-election.

The Steering Committee will meet at least once per year.

2.1. *Duration of Membership in the Steering Committee:*

The duration of the participation in the Steering Committee is determined in accordance with the following rules:

- ITU membership is permanent.
- The Contributing Entities will be members for minimum of one (1) year duration and maximum for the duration of the implementation of the project for which their contribution is used.
- Member States will participate in the Steering Committee for a period of one (1) year.
- The members chosen from the Participants will have a seat on the Steering Committee for a period of one (1) year.

2.2. *Functions of the Steering Committee:*

The Steering Committee will have the following functions:

- To administer this MoU.
- To assess proposals presented by Signatories and give its approval.
- To invite Potential Contributing Entities, Member States and Participants to become a Signatory of this MoU.
- To modify or terminate specific Projects activities submitted by Working Groups.

³ Cash or in-kind contributions amounting to at least two million U.S. Dollars (US\$ 2,000,000) to one or more project activities undertaken by one or more Working Groups.

- To amend this MoU using a consultation mechanism established by it but involving all signatories.
- To make decisions on the use of funds and other resources.
- To choose a maximum of five (5) Participants who will be part of each Working Groups based on their cash or in-kind contributions and/or the relevance of their activities within the Working Group.
- To perform other functions attributed to it by this MoU.

2.3. *Steering Committee Decision Making Mechanism*

Unless otherwise specified in this MoU, the quorum required for the adoption of any decision is one third (1/3) of the members of the Steering Committee.

As a general rule, decisions shall be taken by consensus. If consensus is not reached, and unless otherwise specified in this MoU, decisions must be adopted by a majority of votes. The voting procedure is as follows:

- All members of the Steering Committee will have one vote.
- In the event of deadlock, the President of the Steering Committee will have the deciding vote.
- All decisions of the Steering Committee will require a majority of the votes of those present.

The quorum required in the Steering Committee to consider any proposal to increase the number of Contributing Entities in the Steering Committee, and to adopt any other amendment to this MoU, shall consist of at least two thirds (2/3) of the members of the Steering Committee. To be adopted any such proposal will be approved by a majority of at least two thirds (2/3) of the votes including the two (2) ITU representatives.

3. **Working Groups:**

3.1. Five (5) main initial Working Groups⁴ have been identified for all activities to be undertaken within the framework of this MoU. A Working Group represents a specific area of activity within which topic-oriented tasks are undertaken in coordination with the other Working Groups to achieve the objectives of the Projects approved by the Steering Committee. These are:

- Technology Working Group: This includes infrastructure, applications, technology component testing, integration and inter-operability.
- Human Resources Development Working Group: This includes technical training, business training, training on service provisioning and training for policy and decision makers.
- Strategies Working Group: This includes activities aimed at adopting appropriate action plans to facilitate the deployment, use and inter-operability of secure electronic transactions.
- Legislative and Policy Working Group: Activities aimed at establishing an appropriate legislative framework and policies for secure electronic transactions.
- Services and Support Working Group: Includes risk management, insurance, auditing, logistics, tracking and other related services.

⁴ A collection of coherent and coordinated set of activities undertaken within the framework of this MoU with well-defined goals and objectives and to be implemented in Developing and Least Developed countries from all regions of the world.

3.2. The Membership is composed of the following entities:

- Five (5) members per Contributing Entity selected by the Steering Committee on the basis of the relevance of their activities in the Working Group and/or cash or in-kind contribution of at least two hundred thousand U.S. Dollars (US\$ 200,000) to the work of that Working Group;
- One (1) member representing ITU (chosen by ITU);
- A maximum of ten (10) Participants with interest in the Working Group (chosen by the Steering Committee).

Working Groups will have a Chairperson and a Secretary. The Chairperson will be elected annually from its members, with the possibility of re-election.

Working Groups will meet at least once per year.

3.3. Functions of the Working Groups:

The Working Groups will have the following functions:

- Establish objectives, measurable and time-bounded goals and milestones for specific Projects.
- Oversee the ongoing development of the specific Project activities.
- Propose modifications to the Steering Committee with regard to a Project.
- Report to all of Signatories and the Steering Committee on the progress of their activities in relation to a specific Project.
- Perform other necessary activities related to the successful implementation of Projects.

IV. Projects

All Project activities and proposals will fall within the framework of the 5 (five) initially defined Working Groups identified in paragraph 3.1 above.

A. Project Proposals

Any Signatory to this MoU may present proposals related to specific Projects to the Steering Committee.

B. Project Development and Modifications

A Working Group may propose modifications with regard to its own activities or a specific Project, but in the event that, in the discretion of the Steering Committee, these modifications conflict with the activities of another Working Group or another Project, or such changes alienate the Project from the objectives of this MoU, the Steering Committee will have the authority to deny or change such modification proposal.

C. Termination and Finalization of Projects

- a. A Project may be terminated by the Steering Committee in consultation with the Working Groups involved.
- b. A Project will be considered finalized (or completed) by the Steering Committee in consultation with the Working Groups involved and based on the objectives set out by the Steering Committee and Working Groups.

V. Signatories

The following entities may become Signatories to this MoU:

- a. The ITU;
- b. The Member States of ITU in accordance with Article 2 of the ITU Constitution;
- c. Any public or private entity from a Member State and any intergovernmental or other international organization, intending to provide contributions or to be involved in the use of technologies and services deployed under one or several Working Groups.

VI. Assignment or Transfer to Third Parties

The responsibilities of the Signatories under this MoU are not assignable or transferable, except as provided herein. Any attempt to assign or transfer, including by operation of law, is void unless there is the prior written approval of the Steering Committee.

VII. Budget, Donations, Investment of Capital, and Revenues

- a. The funds for the operational costs of initiating and maintaining this MoU shall be raised by the Steering Committee through voluntary contributions. The Signatories and the Steering Committee shall seek the self-sufficient administration of this MoU.
- b. The contributions and the revenues generated are intended to cover the costs incurred by the specific Projects.
- c. The revenues generated by Projects may be shared in accordance with a revenue-sharing structure agreed upon on a case-by-case by the Steering Committee and the Working Groups.
- d. The other resources of this MoU shall consist of donations and grants from governments, intergovernmental and other international organizations, and private or public sector entities.
- e. The Contributions in cash will be administered and managed through an ITU Fund in Trust in conformity with Annex 2 of the ITU Financial Rules.
- f. The Trust Fund shall be administered and managed by the ITU. Decisions and recommendations on the direction and implementation of the work program, including the use of funds, will be based on the decisions of the Steering Committee. Contributions to the Trust Fund will include an amount equivalent to ten percent (10%) of the amount being contributed to cover the administrative costs of the ITU related to the tasks undertaken within the framework of this MoU.

VIII. Settlement of Disputes

Any dispute regarding the implementation of this MoU will be resolved by consultation among the Signatories and will not be referred to a national or international tribunal or other third party for settlement. The Signatories of this MoU shall under no circumstances be personally liable for the commitments or undertakings of this MoU.

IX. Entry into Effect, Withdrawal and Termination

- a. This MoU will come into effect with, at a minimum, the signature by ITU, at least five (5) Contributing Entities, ten (10) Member States and five (5) participants.
- b. A Signatory may withdraw from this MoU at any time by providing advance written notice to the Steering Committee and the Signatories no less than sixty (60) days in advance. A Signatory withdrawing from this MoU should meet its own responsibility up to the effective date of its withdrawal.
- c. This MoU may be terminated by the ITU or by the agreement of all Signatories. In the event the ITU decides to terminate the MoU, it will notify all Signatories, the Steering Committee and all Working Groups at least six (6) months in advance. Notwithstanding its termination, the provisions of this MoU will survive to the extent necessary to permit an orderly settlement of accounts between the Signatories and other entities concerned and to bring ongoing Projects to a proper close.

X. Miscellaneous

- a. Resolution of any claim, including property damage or personal injury, arising from or related to this MoU will be handled by the Signatory determined responsible for any such claim.
- b. Nothing in this MoU may be interpreted or construed as a waiver or a modification of any of the privileges, immunities and facilities that ITU enjoys by virtue of the international agreements and national laws applicable to it.

IN WITNESS HEREOF, the Signatories have, as their free acts and deeds, caused this Memorandum of Understanding to be executed by their respective duly authorized representatives.

Signatories:

Please complete and fax to +4122 730 5484, World e-Trust-MoU, International Telecommunication Union, Place des Nations, CH-1211 Geneva 20, Switzerland.

Signature:	
Name of entity:	
Address:	
Telephone:	
Fax:	
Email contact address for this signatory:	
WWW address of entity:	