Some challenges:

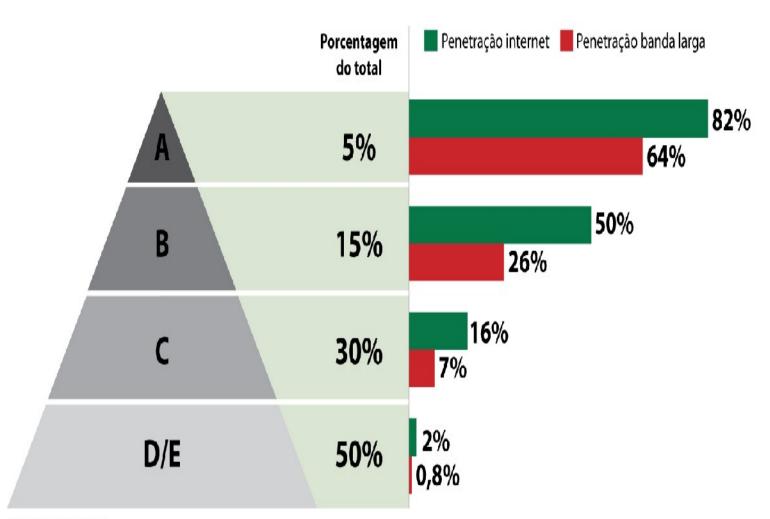
- to reach a population of about 188 million people in a territory of 8,5 million km²;
- in a country known by its social and economical inequalities – the 10th most unequal country in regards to income distribution;
- within a communications regulatory fragmentation in an environment of technological convergence.

- There are about 20 digital inclusion programs implemented by the federal government.
- Dozens of initiatives fostered by state governments, municipal governments, universities, civil society, private sector.
- Among these initiatives, some are considered to be an example and a reference to other countries.

However, these experiences are scattered, there is little synergy among them, efforts are often duplicated, investiments are focused in bigger cities in the richer regions of the country: Brazil lacks a unified national strategy for digital inclusion and ICTs for development.

- Access to the Internet is available to 21% of the Brazilian population considering all modalities of connection
- Among the 5.564 municipalities, about 300 have a local Internet broadband connection provider
- 59% of the population have never used the Internet.

PENETRAÇÃO DA INTERNET - POR DOMICÍLIO



 In countries with deep socio-economic inequalities such as Brazil, "inclusion by the market" faces structural limitations, imposing the need for complementary actions that focus on universalizing access to telecommunications especially to the Internet. In this perspective, NGOs, some private companies and governments - in the federal, state and municipal level - have promoted initiatives that seek to overcome those barriers and enable the population to appropriate information and communication technologies to foster local development. In general lines, these initiatives may be divided in two groups: telecenters for public access and the so-called digital municipalities.

- the local government is usually the main provider of Internet access;
- the network is usually based on public buildings;
- the connection is paid by the local government and distributed among the community;
- the local government has the legal authority to extend physical circuits in its territory, and there is a special license from the national regulator for non-profit citywide networks open to the public and run by municipalities.

- design and implementation of the network is delivered by the local authority;
- the vast majority of these experiences emphasize aspects of integration within public administration, reduction of costs with telephony and computerization in health and education services;

- This model is a response to the market of Internet services and telecommunications, which generally favors those who can pay.
- In Brazil, less than 5% of the cities (just over 250) have more than 100 thousand inhabitants. These municipalities gather around 53% of the country's population. They are the core target market.

• The vast majority of the other 95% of Brazilian municipalities is condemned to pay much higher prices for Internet connection, or to have no access to these services - most of the smallest cities would be condemned to eternal disconnection, if there is no proper public policy to address this exclusion. This extremely impacts the perspectives of local development in the country.

Case 1 - Duas Barras Municipal Network

- o in 2005, the mayor read an article in a weekly magazine about Sud Mennucci, the first Brazilian city to implement this type of network, and decided to follow suit.
- in 2006, among the city's 10.500 residents, there were approximately 70 computers in public buildings and 30 computers in residences or businesses.
- In the past 2 years, the number of computers connected to the Internet outside the public buildings increased to 430.

Duas Barras Municipal Network

Challenges to face:

- no citizen participation in managing the network (operating model, expenditure controls, proposed expansion, and so on). All decisions are made by the municipality.
- The experience is equally poor in electronic government services. Though the network has connected all public buildings, it is not used for health, education or e-gov purposes, or even to increase civil society participation in any decision making process.

Duas Barras Municipal Network

- First conclusions
- there is a lack of clarity (and even knowledge) on the part of the municipality in regards to the use of ICTs for development;
- many of these experiences come forth as the result of an empirical initiative of local administrators and are eventually restricted to their politico-ideological idiosyncrasies (this may explain the virtually inexistent mechanisms to emphasize popular participation);

Duas Barras Municipal Network

- there is no national policy framework that might encompass these local experiences;
- there is no repository of reports (that may serve as a forum for exchanges)
- the Union is most likely unaware of many of such municipal initiatives [at least, officially unaware];
- consequently, there is no type of capacity building effort in place to respond to specific demands of these local networks and to ensure its effective use to promote local development and participation.

Case 2 – Interactive Participatory Budget of Ipatinga

- innovative nature in the practice of direct popular participation in local government decision making – the first PB in Brazil that has incorporated the Internet in its process;
- Ipatinga's participatory budget started in 1989, when it was adopted as a tool to democratize local government decisions;
- since 2001, Ipatinga's municipality has started to use the Internet for the participatory budget—which is now called Interactive Participatory Budget.

Interactive Participatory Budget of Ipatinga

- Ipatinga is a municipality of 166.5 km2, with about 238,000 inhabitants, located 217 km away from the capital city of the state of Minas Gerais.
- the municipality is divided into 12 different budget regions, composed of neighborhoods, districts, and rural communities;
- the regions are given differentiated amounts for their priorities, defined by indicators that take social conditions and active citizenship into consideration;
- criteria for dividing differentiated budget quotas: Social Index and Rate of Participatory Citizenship.

Interactive Participatory Budget of Ipatinga

 indicators consider not only social needs but also the population's participation and citizenship commitment, such as compliance with urban taxes, incidence of dengue fever, and activeness in the process of discussing the budget.

- every two years, residents from all regions elect their regional council members [one for every one thousand inhabitants], who, in their turn, elect municipal budget councilors [one for every 10 thousand inhabitants]. An electronic voting system was put in place for the first time in 2003 to elect the 445 regional representatives.
- People assembles to vote and define their local priorities - regional councilors take it upon themselves to present a list of the local infrastructure implementations that have been identified as necessary.

- People can also vote using the Internet
- Computers are made available at different places in the city for four months, so local citizens may indicate priorities prior to the regional assemblies.
- Trained monitors assist people on how to use the computers and web sites during the period of indicating priorities.
- This activity is preceded with wide communication efforts and involves distribution of printed materials, use of local media, and information campaigns in schools.

- citizens and civil society organizations can also keep informed of all local proposals submitted online – so they strengthen common proposals and prepare for more qualified participation at the collective assemblies.
- on-line indications are joined with those proposals made in the traditional way (hard copies) and the entire array is offered for discussion at the regional assemblies.
- Before that, the municipal team makes a technical and financial feasibility assessment of the proposals in order to provide further elements for collective decision making.

- Any local resident can make indications over the Internet, once filling out a form for record-keeping purposes – informing age, address, ID and voting card number.
- An e-mail address is a mandatory item in a citizen's record-keeping form, as it will be a communication channel between the user and the municipality.
- Other online participation instruments include a live broadcast of the Council annual meeting and chats with the mayor.

Some outcomes

- According to the municipality, incorporating the indication of priorities over the Internet has brought about an increase of 35% in the number of participants in regional plenary sessions, with increased participation of individuals not connected to any organized group, which also influenced the type of dispute.
- The municipality indicates great participation through the Internet not only in central areas but also in peripheral districts.

Some outcomes

 Despite the fact that the Interactive Participatory Budget decision structure is still based on participating in face to face meetings [since participation through the Internet is merely indicative, the use of the Internet before the meetings strengthens citizens and qualifies their participation those who look previously for the Interactive PB web site come to the meetings with better background and resources: they have more information and arguments for discussion. There are signs that the entire process contributes to an emergence of new civil society leaderships.

Thank you! graciela@rits.org.br