

World Wide Web Foundation

Annual Report 2012



**WORLD WIDE WEB
FOUNDATION**

Table of Contents

Table of Contents	1
Letter From the Chair	2
I. The Web in 2012: An Overview	3
1. Affordability remains a key challenge	3
2. The Web, human rights, and the regulatory agenda.....	4
3. Transforming the citizen-state relationship through open data	5
II. The World Wide Web Foundation in 2012: A Snapshot.....	6
1. Launching the Web Index – Measuring the state and utility of the Web around the globe	6
2. The Power of ‘Voices’ in Decision-Making	8
A. <i>Delivering the Voice of Africa to Al Jazeera</i>	8
B. <i>Global Outreach in Shaping the Future</i>	8
3. Opening Data and Open Data Research	9
4. Coalition Building to Reduce the Cost of Broadband in the Developing World.....	10
III. Grateful for your Support	11
IV. Financials	13
V. Web Foundation Boards of Directors	14
The Swiss Board	14
Governance Committee	14
Finance and Audit Committee.....	14
The US Board	14
US Finance Committee	14
US Audit Committee	14

Letter From the Chair

2012 has been another fascinating year for the evolution of both the Web and the World Wide Web Foundation. Public interest in our work continues to increase and we have notched up notable successes, but challenges and threats to the future of the Open Web continue to appear on the horizon.

We have witnessed continuing growth in mobile access in the developing world, allowing for more innovative Web-based activism, accountability and entrepreneurship. However, the costs associated with a basic mobile data plan remain prohibitive for millions in the developing world. With the formation of the Alliance for Affordable Internet (A4AI), the Web Foundation is taking the lead on this critical issue, convening a powerful coalition of dedicated stakeholders to press for more competitive markets and more innovative sharing of spectrum and infrastructure to drive prices down.

We were excited to launch our first-ever Web Index in London in September, which signified a major step forward in identifying and influencing the policies and conditions currently hindering the expansion of the Web.

Reflecting on the Web Index findings for 2012, Sir Tim Berners-Lee noted that, aside from the prohibitive cost of access, "growing suppression of free speech, both online and offline, is possibly the single biggest challenge to the future of the Web." The 2013 Web Index will include more data on transparency, affordability, and open data to help bolster the fight to keep the Web open and free for all.

We are proud to be partnering with the UN Development Program's 'MYWorld' initiative, the largest civic polling campaign the world has seen to date, by helping those in the developing world cast their vote using mobile phones and voice-interactive Web technology.

I hope that the following pages are informative and inspire you to share in our efforts to pave the way to a free and open Web. We continue to welcome your valued support and thank the growing community of Web defenders in joining our efforts. If the Web is to meet its inventor's intended destiny, it will only be through partnerships and cooperation that we will succeed.

Rick Haythornthwaite, Chairman of the Board

I. The Web in 2012: An Overview



Photo by Nick Webb (Flickr: DSC_3232) [CC-BY-2.0 (<http://creativecommons.org/licenses/by/2.0>)], via Wikimedia Commons

1. Affordability remains a key challenge

At the opening ceremony of the London 2012 Olympics, Sir Tim Berners-Lee tweeted a message to the world: “This is for everyone”. Those four words encapsulated the Web inventor’s intentions that the Web should be a right: enjoyed and accessible by all.

Yet, whilst millions absorbed and reacted to Sir Tim’s message, billions knew nothing of it. According to the latest available United Nations¹ and International Telecom Union (ITU)² estimates, there were 2.3 billion Internet users worldwide at the end of 2011. Internet penetration rates have grown rapidly in recent years — driven largely by the explosive growth of mobile broadband — but these figures mean that approximately 4.7 billion people, or two-thirds of the world’s population, are still not connected to the Internet. In the developing world, Internet penetration rates hover at just 25%.

¹ Over two billion people now connected to Internet but digital divide remains wide – UN:
<http://www.un.org/apps/news/story.asp?NewsID=43424&Cr=digital+divide&Cr1#.UZ8egGQd6v0>

² Measuring the Information Society 2012 - http://www.itu.int/en/ITU-D/Statistics/Documents/publications/mis2012/MIS2012_without_Annex_4.pdf

This continued exclusion of billions from the Web has dramatic socio-economic consequences. Whilst a broad host of barriers to increased penetration rates exist — including connection speeds, lack of relevant local content or illiteracy — the most pernicious issue is cost. The ITU Report *‘Measuring the Information Society 2012’* (*ibid.*) highlights that an entry level fixed broadband connection costs 40.3 percent of Gross National Income Per Capita (GNI p.c.) in developing countries, compared to just 1.7 percent of GNI p.c. in developed countries. These rates remain well above the UN targeted rate of 5 percent of GNI p.c. We are committed to tackling this issue head-on, which led us to form the Alliance for Affordable Internet (A4AI) in 2012, discussed on page 11.

2. The Web, human rights, and the regulatory agenda

Despite a UN Special Rapporteur’s recommendation in 2011 that “*there should be as little restriction as possible to the flow of information via the Internet*”, and the passing of a landmark UN resolution in July aimed at ensuring the “*promotion, protection and enjoyment of human rights on the Internet*”, 2012 saw a number of worrying developments in the arena of human rights online.

Early in 2012, widespread protests broke out in response to draft US legislation known as the Stop Online Piracy Act (SOPA) and the Protect IP Act (PIPA). On January 18, following the protests of millions of users, many popular Web services, including Wikipedia and Reddit, shuttered their sites for the day, displayed banners that both explained why they weren’t operating and instructed people to sign petitions against SOPA. Joined by influential thought leaders and Web defenders, including the Electronic Frontier Foundation, Google CEO Eric Schmidt, and Rebecca MacKinnon, this combined effort highlighted to Congress the strength of the Web community and sent a strong message that it would not tolerate the censoring and civil liberty infringements created by the proposed legislation. While these protests stopped the SOPA and PIPA bills in their tracks, there remains a lack of clarity over future possible legislation in this arena.

Elsewhere in the world, protests and public objection were not enough to block the passing of restrictive legislation, nor to encourage the passing of progressive laws. In Malaysia, an amendment to the Evidence Act of 1950 was passed, enforcing the presumed guilt of bloggers, webmasters, moderators, hosting providers, Internet Service Providers (ISPs), and even owners of unsecured WiFi networks, for publishing supposedly defamatory content that is traced to them, regardless of whether or not they created it. In Brazil, efforts to pass a legislative framework of Internet civil rights, known as *Marco Civil da Internet*, were gradually worn down, only to be indefinitely shelved at the end of the year. *Marco Civil*, which some have called a ‘Constitution for the Internet’ would have established Brazil as a leader in the fight for online rights by framing citizens’ Web rights in a positive fashion, and we will continue to support the Bill wherever we can.

The burgeoning industry of cyber-surveillance also hit the headlines in 2012. A number of media reports highlighted that technology used by repressive regimes to monitor or oppress citizens had been exported by Western companies. In response, the US and EU banned the sales of surveillance technology to Iran and Syria.

Debates also erupted over the interaction between citizen privacy and draft cybersecurity laws in diverse countries, including Great Britain, Peru, the Philippines, the Netherlands and Iraq. Most of these debates remained unresolved at the end of 2012.

At the end of a year of debates over online rights and freedoms at national level, the ITU's World Conference on International Telecommunications (WCIT), held in Dubai in December, highlighted further challenges at the global level. Ostensibly organised to enable a straightforward update of a 1988 treaty on international telecommunications, the run-up to the conference and the meeting itself soon descended into controversy. Many stakeholders felt that leaked treaty proposals sought to entrench the ITU as the global Internet regulator, in areas including security, traffic accounting and flow, and management of Internet domain names and IP addresses. These activities are currently governed through community-based approaches, such as Regional Internet Registries, the Internet Corporation for Assigned Names and Numbers (ICANN), or as part of national regulatory frameworks. After high-profile online protests, the conference ended inconclusively, with just 89 of 193 member states signing the final document, and some rejecting it entirely.

In a year characterised by opacity, controversy and conflict, one thing has been clear — the debate surrounding the balance of online rights and freedoms with security and privacy concerns is set to increase and become more complex in the years to come. Through the production of our groundbreaking Web Index (see page 8), we hope to continue to inform and shape this critical global conversation.

3. Transforming the citizen-state relationship through open data

2012 was also a significant year for open data, aptly demonstrated by the surge in interest in the Open Government Partnership (OGP). The OGP was founded in 2011 by eight nations; by the end of 2012, 58 countries had formally joined the initiative. Open government data programmes (primarily in the US and UK) have enabled a new generation of hackers, activists, researchers, and developers to develop incredible new uses for and interfaces for interacting with the raw, published data, sparking broader interest in open government data around the globe. National and regional governments have begun to implement and explore further open data programmes, and networks of academics and practitioners are working to understand more clearly the impact of data on the developing world.

Despite stellar progress, there remains an abundance of data yet to be opened. Information on spending, agriculture, health and education that remains in locked databases could be used to dramatically improve people's lives. The Open Data Index, a subset of our 2012 Web Index, revealed that despite having a strong Web in place, with significant value and reach, open data remains an area in vast need of improvement across many countries. The impact of open data in the developing world is also still poorly understood. Success could be transformative — valuable open data initiatives will allow the Web to move closer to delivering much needed information and services to those for whom it currently holds little relevance. We aim to take a lead in spearheading this change.

II. The World Wide Web Foundation in 2012: A Snapshot

1. Launching the Web Index – Measuring the state and utility of the Web around the globe

Determined to uncover actionable insights into how the Web is being used to drive socio-economic progress, in 2012, the Web Foundation launched the Web Index. The Web Index is the world's first multi-dimensional measure of the World Wide Web's contribution to development and human rights globally. It examines 61 countries, and combines primary research with secondary data to produce a league table of countries.

The Web Index is about putting on the agenda that there are countries where the Web does not have the impact on society that it should, and answering the question: 'What should we do to change that?'

-Sir Tim Berners-Lee

Web inventor and Web Foundation founder Sir Tim Berners-Lee, Web Foundation CEO Anne Jellema and several Web Foundation directors presided over the launch of the Index, which took place in London in September. As the centrepiece of the launch, Berners-Lee was joined in a panel conversation on the state of the Web by two of the world's leading Web experts: Wael Ghonim, Internet activist and Head of Marketing of Google Middle East & North Africa, and Juliana Rotich, co-founder and Executive Director of Ushahidi, the Kenyan crowd-mapping platform. Sweden topped this first-ever Web Index.

The Web Index is an unprecedented, epic aggregation of 10 different data sources including the United Nations and Reporters without Borders, and areas such as social, political and economic, that tells us where the tentacles of the World Wide Web have changed lives the most.

-Parmy Olson, Forbes

The Web Index has rapidly become established as an immensely valuable tool. Its launch was widely reported by the international media and it is already being cited by ministers, businessmen and thought-leaders at leading international conferences and in private conversations. We have received tremendous interest from those countries not yet covered to train our focus their way. Work is already well underway on the 2013 Web Index, which will build on these early gains via the inclusion of more countries as well as robust indicators to measure more accurately a wide range of Web issues, including transparency, open data use and availability, and Internet affordability.

By shining a light on the barriers to Web for everyone, the Index is a powerful tool that will empower individuals, government and organisations to improve their societies.

-Sir Tim Berners-Lee

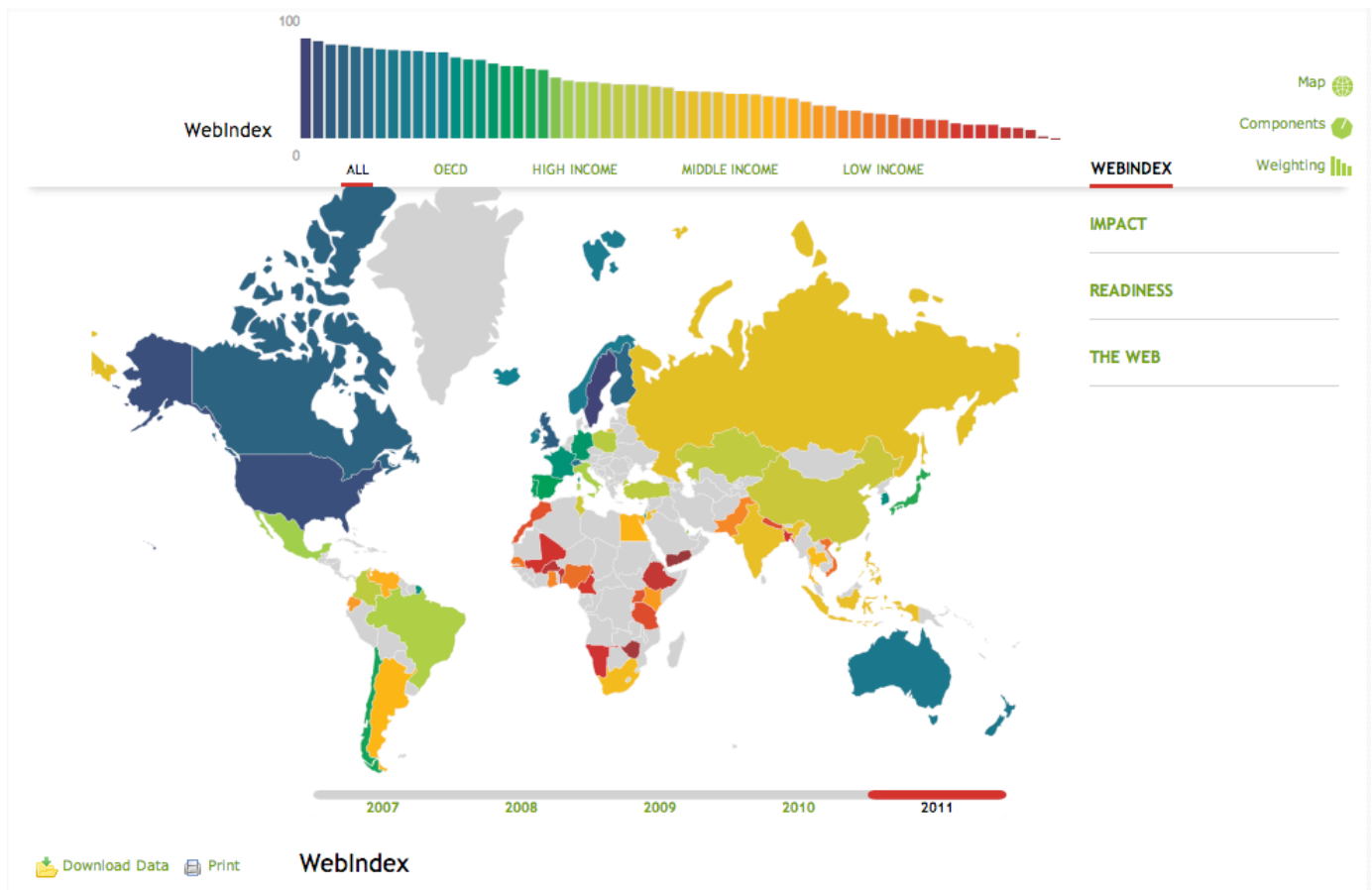


Photo: Screenshots from the Web Index website

2. The Power of ‘Voices’ in Decision-Making

2012 witnessed a major step forward in using mobile-voice communications for greater transparency and citizen participation, and the Web Foundation deployed several unique applications.

A. Delivering the Voice of Africa to Al Jazeera

In partnership with Al Jazeera network, the Web Foundation launched VOICES@Al Jazeera. This project evaluated the potential of voice technology to allow audiences beyond Al Jazeera’s normal broadcast zone to access and provide content to the channel.

During the December 2012 presidential elections in Ghana, the Web Foundation deployed an Interactive Voice Response (IVR) system operating through mobile phones. Hosted by [Kirusa](#), the platform was able to receive calls from Ghanaian citizens and citizen reporters who could both file reports and listen to regularly updated news bulletins. To ensure material was filed, the Web Foundation teed up representatives from [Penplusbytes](#), [ETV Ghana](#), the Institute of Media Practice, and [CODEO](#) to submit audio reports, and reports from these and other sources flooded in as word of the service spread. In total, over 2,000 calls were made to the hotline and 500 reports were filed, covering issues such as the voting process, the country’s future, job creation, tackling corruption and free secondary education.

B. Global Outreach in Shaping the Future

In partnership with the United Nations Development Programme, the Web Foundation launched a worldwide survey in December 2012, known as MYWorld. The results of the survey will be used to help shape the UN’s post-2015 development agenda.

MYWorld is an options survey that utilises creative online and offline methods, allowing people across the world to tell the United Nations which important issues they would like the post-2015 development agenda to address. The Web Foundation is providing technical assistance to the project by adapting our VOICES-enabled mobile technology to extend the survey well beyond the reach of traditional polling methods. Utilising this technology, even those with simple mobile phones will be able to choose which six of sixteen possible issues they think would make the most difference to their lives. The sixteen issues have been developed from the priorities expressed by citizens of the developing world in existing research and polling exercises, and from the ongoing technical and political discussions about possible future goals. They cover the [existing MDGs](#), plus issues of sustainability, security, governance and transparency.

More about this unprecedented civic outreach can be found at www.myworld2015.org.

3. Opening Data and Open Data Research

In January 2012, we began our work with Ghana's Ministry of Communications, through the National Information and Technology Agency (NITA), to build out the Ghanaian government's first open government data program. The successful launch of Ghana's Open Government Data portal (data.gov.gh) in November was just a first step towards full deployment of the initiative. Now one of the key commitments in Ghana's Open Government Partnership (OGP) action plan, the Ghana Open Data Initiative (GODI) will roll out across all government sectors, taking advantage of the already deployed GovNET, and making possible the collection of data by ministries, departments, and agencies in the country's 10 regions.



Ghana
October 24 to 26, 2012

In cooperation with NITA, the World Bank, the Africa Media Initiative and Google, we hosted Ghana's first data-literacy bootcamp in October. The event served as the first public outreach and training effort in Ghana to teach participants how to find, extract and analyse public data. Attendees were also shown how to use powerful forensic tools, as well as how to use them to tell more informed stories. The bootcamp ended with attendees building news-driven mobile apps and civic engagement websites to augment traditional news reporting.

Elsewhere, we have continued to demonstrate and accelerate the global adoption of open data and, with support from the Ford Foundation, are undertaking a feasibility study in Indonesia. At the same time, we have begun to develop a toolkit of openly available resources. Once complete, we hope this will become a valuable community resource that will accelerate the adoption of best practice in the open data arena.



2012 also saw the formation of the Open Data Research network. Led by Canada's International Development Research Centre (IDRC) and the Web Foundation, the network convenes researchers from the global South to explore the emerging impacts of open data in developing countries, and to better understand its impact on decision making and implementation. The network's first major research study will take place in 2013. Learn more at <http://www.opendataresearch.org/>

4. Coalition Building to Reduce the Cost of Broadband in the Developing World

Together with USAID, Google, Omidyar Network and DFID, the Web Foundation has created the Alliance for Affordable Internet (A4AI) to address the prohibitive costs of broadband in the developing world. A4AI will be formally launched to the public in 2013.

A4AI's primary focus is to achieve the UN Broadband Commission's target of entry-level broadband services priced at less than 5 percent of average monthly income. When we succeed, we will have paved the way for the next two billion users to come online, and raised Internet penetration rates to at least 40 percent in all countries. The Alliance will have a dedicated focus on achieving policy and regulatory reform to reduce the cost to connect and unlock the potential of emerging technologies. A4AI will begin by working with a handful of pioneer countries to prove concept and demonstrate value before rolling out our work to other countries.

The Web Foundation will serve as the secretariat of this fledgling alliance, leading and managing policy efforts by identifying and addressing barriers, building case studies around success stories, convening key stakeholders and promoting regional cooperation.

III. Grateful for your Support

Support for the work of the Web Foundation relies on the generous contributions from institutions and individuals committed to preserving the neutrality and growing the impact of the Web around the world.

We remain deeply grateful for the 2008 Founders Circle donation from the John S. and James L. Knight Foundation whose substantial seed funding made possible the launch of the Foundation and our initial programs.

Institutions and individuals whose contributions made our work in 2012 possible include:

2012 Institutional Donors

Al Jazeera Media Network
Cisco
Department for International Development (DFID)
Ford Foundation
Grameen Foundation
International Development Research Centre (IDRC)
Inveneo
Knight Foundation
LastMinute.com
MasterCard
New America Foundation
Orange
Oslo County, Norway
Pearson

\$20,000-49,999

Timothy Berners-Lee

\$2,500-19,999

Daniel Stauffacher
Kaia Miller and Jonathan Goldstein
Marcia Blenko
Rick Haythornthwaite

\$500-\$2,499

Katherine Tweedie
Marwan Mahmoud



Below \$500

Alan Porter
Alessandro Calzavara
April Rinne
Chaim Krause
Ian Ellison-Taylor
Justin Edwards
Kathryn Waldmann
Kevin Stephenson
Lata Begg
Lee Dale
Maria Pereira
Mark Owen
Matthew Rintoul
Mauro Nuñez
Serge K. Keller
Sofia Latif
Thomas Roessler
Tim Bannister
Wendy Seltzer

IV. Financials

The World Wide Web Foundation is a Massachusetts corporation (not-for-profit) and, as an organisation formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code of the United States, is exempt from Federal and state income taxes. The Foundation prepares its financial statements in accordance with generally accepted accounting standards and principles established by the Financial Accounting Standards Board. The Web Foundation's full [2011-2012 audited financial statements](#) (through December 31, 2012) comprise:

- (1) Independent Auditor's Report
- (2) Financial Statements:
 - (a) Statements of Financial Position
 - (b) Statements of Activities and Changes in Net Assets
 - (c) Statements of Cash Flows
 - (d) Statements of Functional Expenses
 - (e) Notes to Financial Statements

Below is a summary of the Web Foundation's financial position as of December 31, 2012. Full, audited statements are available on our website.

World Wide Web Foundation Statements of Financial Position, 2012

	Unrestricted	Temporarily Restricted	Total
ASSETS			
<u>Current Assets:</u>			
Cash	375,632	353,857	729,489
Grants & accounts receivable	130,177	472,225	602,402
Prepaid expenses	2,446	--	2,446
Total current assets	508,255	826,082	1,334,337
Security Deposit:	4,024	--	4,024
Total assets	\$512,279	\$826,082	\$1,338,361
LIABILITIES & NET ASSETS			
<u>Current Liabilities:</u>			
Accounts Payable	22,717	--	22,717
Grants Payable	--	--	--
Total current liabilities	22,717	--	22,727
<u>Net Assets:</u>			
Unrestricted	489,562	--	489,562
Temporarily restricted	--	862,082	826,082
Total net assets	489,562	826,082	1,315,644
Total liabilities and net assets	\$512,279	\$826,082	\$1,338,361

V. Web Foundation Boards of Directors

The Swiss Board

Rick Haythornthwaite, Chair (elected April '12)
Alberto Ibargüen (Chair '09– March '12; resigned Oct '12)
Dame Helen Alexander
Sir Tim Berners-Lee
Marcia Blenko
Rt Hon Gordon Brown
Dr. Jeffrey Jaffe
Rosemary Leith
Professor Nigel Shadbolt
Dr. Daniel Stauffacher
Kevin Stephenson
Katherine Tweedie

Governance Committee

Helen Alexander, Rosemary Leith and Nigel Shadbolt

Finance and Audit Committee

Jeff Jaffe and Kevin Stephenson

The US Board

Dr. Thomas Roessler, Chair
Mauro Nuñez
April Rinne
Wendy Seltzer
Kevin Stephenson

US Finance Committee

Mauro Nuñez and Kevin Stephenson

US Audit Committee

Wendy Seltzer and Kevin Stephenson

