

#### **GOVERNMENT-INDUSTRY ROUNDTABLE:**



#### **BUILDING OUR BROADBAND FUTURE**

Maximizing the Socio-Economic Impact of the National Broadband Plan: The Pentahelix Approach



#### Dr. Muhammad Imam Nashiruddin, MT

Commissioner, Indonesian Telecommunication Regulatory Authority

ITU Asia-Pacific Regional Forum on Reshaping Policy and Regulatory Landscape for Accelerating Broadband Access

08-10 September 2015, Jakarta - Indonesia



### Main Challenges of NBN: The Socio-Economic Impact:

Indonesia ranks in the middle on most key ICT metrics.

Country	Network- readiness score		Infrastructure and digital content	Affordability	Skills	Individual usage	Business usage	Govern- ment usage	Eco- nomic impact	Social impact
	2014 rank <sup>1</sup>	2013 rank <sup>2</sup>	2014 rank	2014 rank	2014 rank	2014 rank	2014 rank	2014 rank	2014 rank	2014 rank
Singapore	2	2	16	46	2	10	15	1	6	1
Malaysia	30	30	71	48	67	49	27	9	30	25
Russia	50	54	47	14	64	46	84	61	41	41
China	62	58	86	60	59	80	44	38	81	44
Indonesia	64	76	85	37	61	95	36	49	86	63
Thailand	67	74	73	47	74	85	59	84	104	68
Brazil	69	60	56	91	91	59	41	54	64	58
Philippines	78	86	89	75	69	91	43	67	48	76
India	83	68	119	1	101	121	51	41	50	73
Vietnam	84	84	121	8	88	84	88	58	96	62

<sup>1</sup>2014 rank is out of 148 countries.

22013 rank is out of 144 countries.

Source: Global Information Technology Report 2014, World Economic Forum, 2014



# How to maximize the Socio-Economic Impact of National Broadband Plan?

#### **DEVELOPING A VIBRANT ICT ECOSYSTEM:**

- 1. Develop a national ICT agenda and road map linked to economic and social-development priorities (in example : Indonesia Broadband Plan, The Strategic Priorities of MICT)
- 2. Work with the ICT industry to resolve major infrastructure bottlenecks and improve reach, cost, and bandwidth (in example : Revised the policy & regulation of USOF)
- 3. Address the ICT digital divide between urban and rural areas with more tailored policies and alternative supply models (in example : Digital Dividend/TV Digitalization, revised the policy and regulation of Modern Licensing, etc)
- 4. Ensure the regulatory environment can address effectively a constantly changing ICT sector (in example : Neutral Technology, Re-farming of frequency, New Convergence Act, Infrastructure Sharing/Pooling, etc)

Source : McKinsey, 2015



## How to maximize the Socio-Economic Impact of National Broadband Plan?

## USING ICT TO FOSTER ACCELERATED ECONOMIC GROWTH:

- 1. Develop upstream and downstream ICT industries (in example : Indonesia Broadband Plan, The Strategic Priorities of MICT)
- 2. Increase supply of skilled ICT workforce (in example : SKKNI Indonesia National Standard of Competence for ICT Sector, LSP Certification Body)
- Encourage ICT adoption by small and medium-size businesses (in example : ICT Incentive for SME)
- 4. Use ICT to support priority sectors (in example : M-Fish for Maritime Sector)

Source: McKinsey, 2015



## How to maximize the Socio-Economic Impact of National Broadband Plan?

### USING ICT TO ENABLE SUSTAINABLE SOCIAL DEVELOPMENT:

- 1. Use ICT to improve citizen services (Smart cities, Citizen Complain Online, City Monitoring Center, Public Wifi, Smart Parking, Building apps for public service)
- 2. Improve the quality and efficiency of public service (E-Government, E-Healthcare, E-Education, E-KTP/KIS/KIP, E-Budgeting, E-Procurement, E-Services, etc)



Source: McKinsey, 2015

Connect • Innovate • Transform



### The Strategic Map Proposed: **To Maximize Socio-Economic Impact**

#### **Economic Transformation**

Using ICT to foster accelerated and equitable economic growth

#### **Selected Priorities:**

- **Upstream & Downstream Industry**
- **ICT Adoption for SMEs**
- E-Financial Services

#### Sustainable Social Development

**Enhance quality of life through** affordable and equitable ICT

#### **Selected Priorities:**

- **E-Budgeting** E-Government •
- **E-Procurement** E-Healthcare
- E- Education
- **E-Services** E-KTP/KIS/KIP • Government **Public Relation**

#### Indonesia Case:

**Supporting national development** priorities to contribute significant benefit for peoples and the Republic of Indonesia **Selected Priorities:** 

National Development

- Infrastructure Food Sovereignty •
- **HR Development** Energy
- **National Border** Maritime
- **Tourism & Creative Industry**

#### NATIONAL ICT ECOSYSTEM DEVELOPMENT

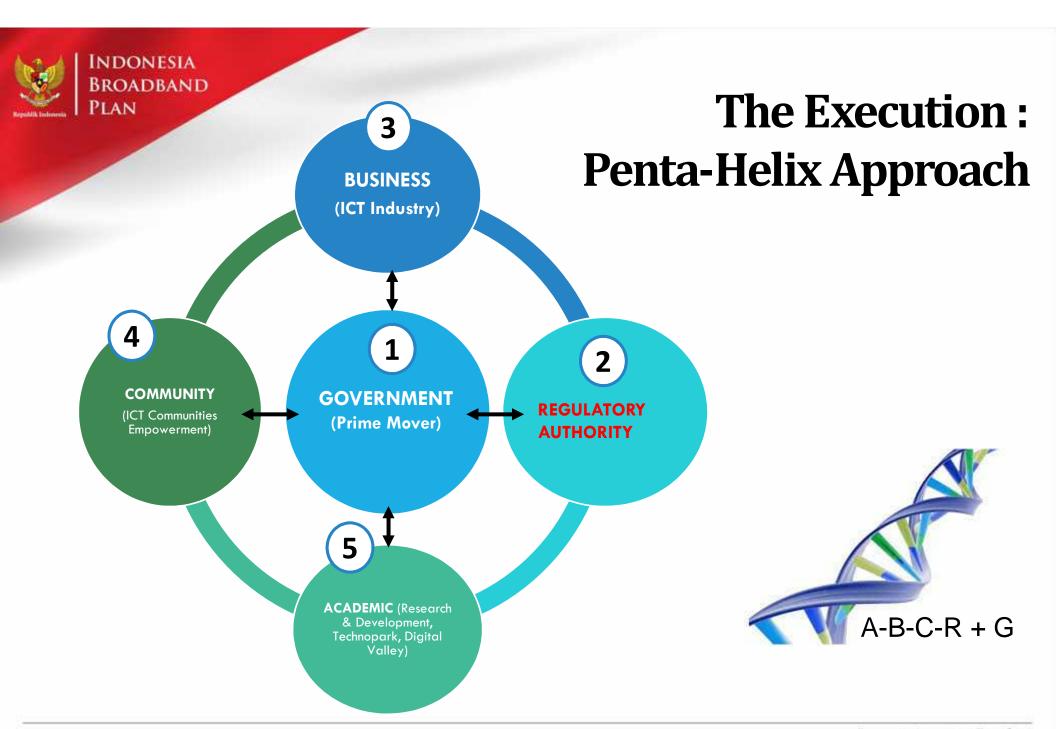
To endorse National ICT Ecosystem Development (Device, Network, Application/Content) through resource synergy, efficiency and local development

#### 2 BROADBAND SUPRA-STRUCTURE DEVELOPMENT

To endorse a skillful ICT Human Capital Development, enable policies, harmonize legislation and **Convergence Regulation and establish Cyber Security & Governance** 

#### 1 BROADBAND INFRA-STRUCTURE DEVELOPMENT

To endorse the ICT infrastructure to support Indonesia Broadband Plan & Digital Divide/Digitalization





### **Conclusion**

- 1. National Broadband Plan is very important and critical for the country, but the people **expect more into the socio-economic impact.**
- 2. To have socio-economic impact successfully, we need to strengthening the broadband foundation (infrastructure, supra-structure, national ecosystem) to support the economic transformation, sustainable social development and national development priorities through the **multi-stakeholder participation**.
- 3. The **Penta-Helix Model** (Government + Academic-Business Community Regulatory /G+ABCR) is strongly recommended to accelerate the national broadband implementation to have successfully building our broadband future.







Twenty years from now you will be more disappointed by the things you didn't do than by the ones you did do. So sail away from the safe harbour. Catch the trade winds in your sails. Explore. Dream. Discover.

- Mark Twain



## The Priorities Agenda 2015-2019 of the MICT Indonesia

