DIGITAL TECHNOLOGY FOR DEVELOPMENT

Sustainable Development and Climate Change Department

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ADB Key Facts

Founded 1966, 68 members, 3200 staff from 60 countries

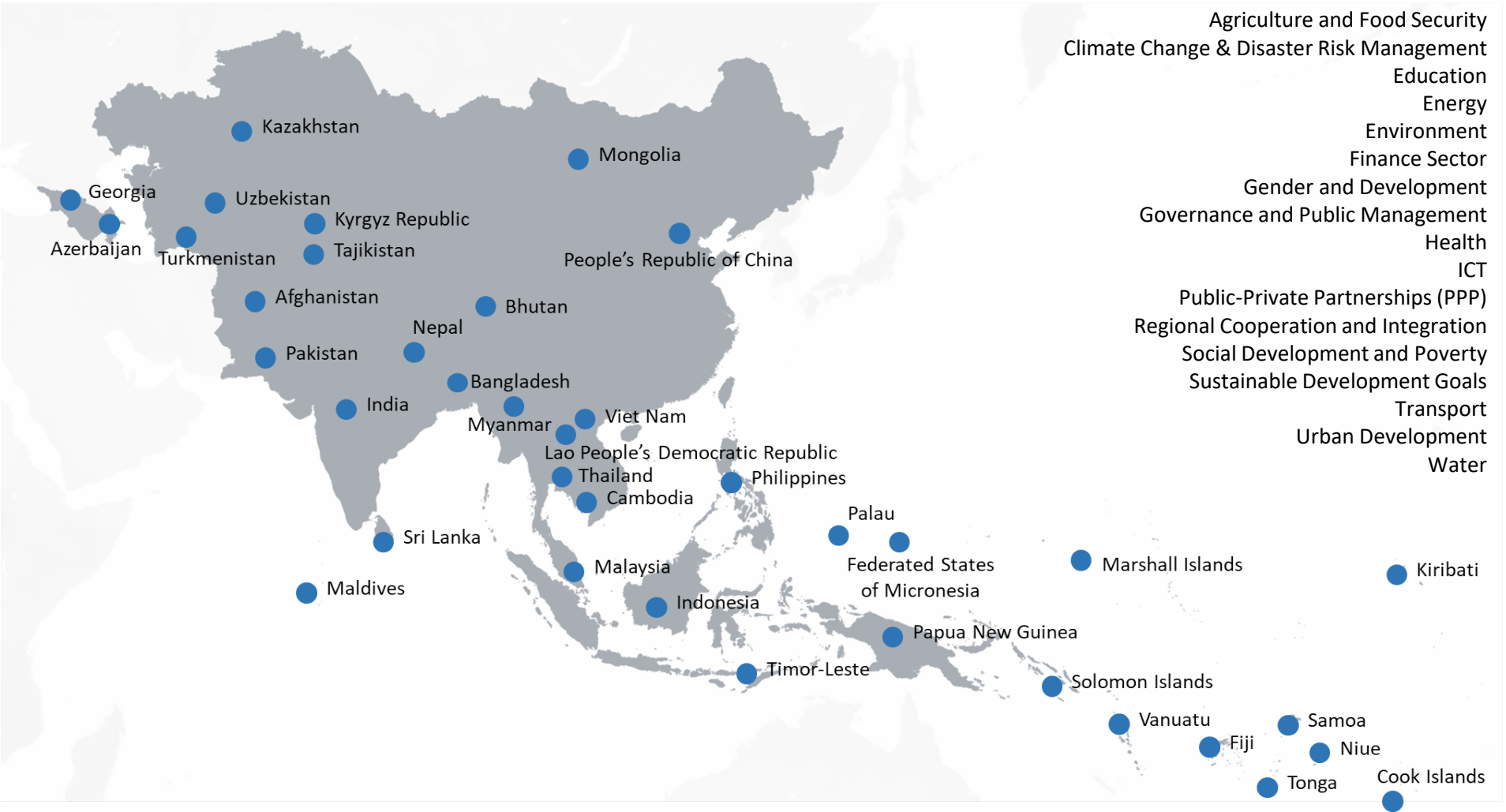
Total capital: $152 billion, annual commitments: $32B

Covid-19 Response: $20 billion

ADB Developing Member Countries

Wide range of development contexts and challenges

17 Sector and Thematic Areas



What are the implications of COVID-19?

- Pandemic is accelerating the trend toward digital economy:
  - Remote work solutions to support working from home
  - Use of ecommerce for delivery of food and goods
  - Digital payments for government support programs
  - Use of eLearning for remote education
  - Use of digital healthcare solutions
  - Online gaming and video entertainment
  - Many lockdown-driven activities may revert back to normal, but many will continue
- Connectivity should be recognized as a basic necessity
  - This is particularly true across Asia, where high growth rates make investments more feasible

Key challenges from our perspective

Our Developing Member States face many barriers:

- Low-density populations
- Low-income populations
- This combination means more infrastructure cost per user and less revenue potential

Development programs are needed to help bridge the gap

- Universal access funds
- Investment support
- Subsidies to low-income households

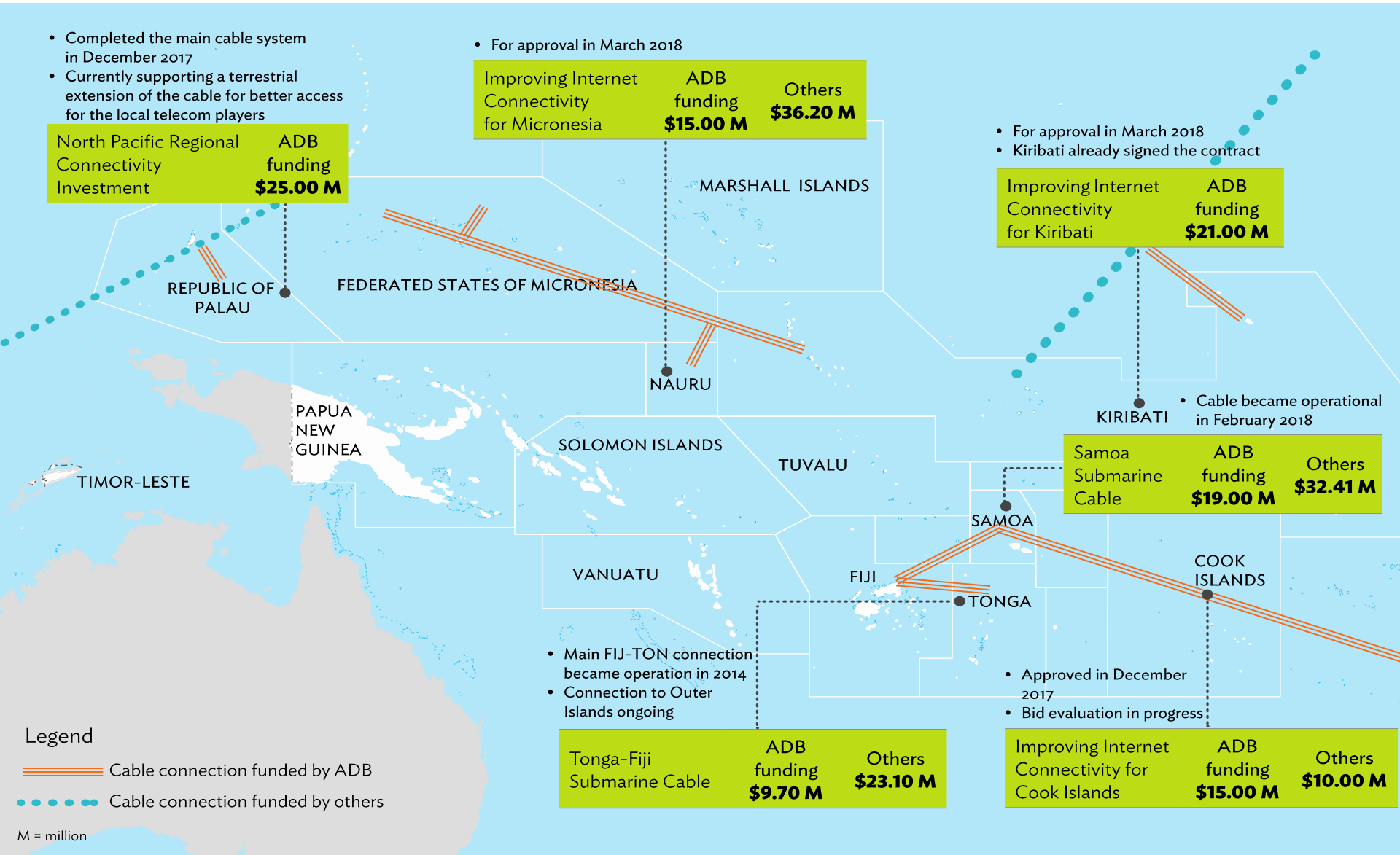
Infrastructure levels will vary based on density and geography

- Communications technology is evolving rapidly, making it impossible to mandate the same quality of infrastructure and service everywhere

What can MDB's do on connectivity?

- Invest in infrastructure projects directly (public, private, PPPs)
  - Submarine cables
  - Communications satellites
  - Broadband networks
  - Last mile connectivity of key infrastructure (such as schools)
- Grants and technical assistance
  - Infrastructure support and project support
- Policy actions
  - Support national broadband plans, competition policy, rural access funds, etc.
- Generate demand and urgency through development initiatives
  - transport, energy, education, health, governance, environment, agriculture, etc.
- Example: ADB connectivity projects:
  - Pacific Submarine Cables
  - Kacific Communications Satellite
  - Philippines Shared Connectivity for Government

ADB Support for Pacific Submarine Cables



ADB Support for Satellite Connectivity

Kacific1 Satellite

- ADB provided $50 million in private sector financing to *Kacific* to deliver low cost, high-speed, easily accessible broadband internet;
- Kacific1 provides access to broadband internet in remote areas, where no or very limited coverage is currently available (since Dec 2019);
- Enables better education and health services, improves access to information, and drives more trade and connectivity between countries.

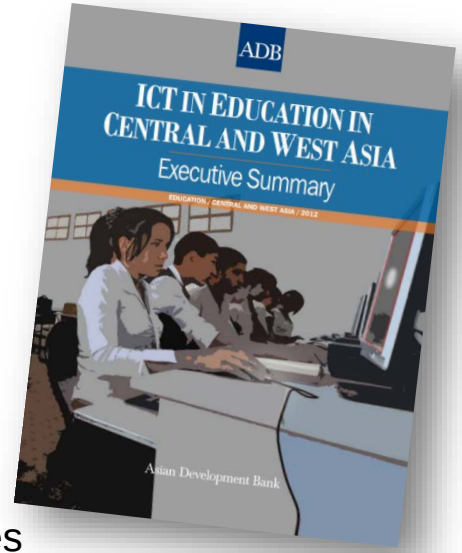
ADB Technical Assistance (examples)

Advice for Philippines National Broadband Plan

- Research on Network Infrastructure Sharing (now adopted): Studied opportunities, anticipating commercial aspects and other surrounding issues; and providing strategies moving forward.
    - Access fiber/right of way, specifically on the electricity transmission network to provide connectivity for better government services
    - Network expansion & operating costs would reduce
    - Revenue generation for host infrastructure providers through rental revenue and opportunities for private investment
    - Increase competition by providing opportunities for new operators

Publication: Central & West Asia (2006 – 2012)

- varying levels of school internet connectivity (in 2012): virtually 100% in Kazakhstan, around 60% in Uzbekistan, 7% in Tajikistan, and 3%–5% in the Kyrgyz Republic
- few countries attempted estimating the total cost of their national ICT for education strategies
- most governments had no clear idea of the costs involved in sustaining effective ICT use in schools.
- little conclusive evidence that ICT significantly improved student performance, even in developed countries with the most substantial ICT-related investments



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