



Digital Regulation for Digital Transformation



01

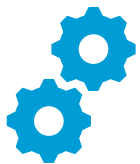
What are the challenges we are facing?



Regulators and Policy Makers are playing an instrumental role in defining the “new normal” for a post-COVID world, as digital technologies are thrown sharply into the spotlight.



ICTs have moved far beyond the realm of simple ‘communications’ and have become the foundation for every economic sector and a sine qua non of business performance and national and individual growth.

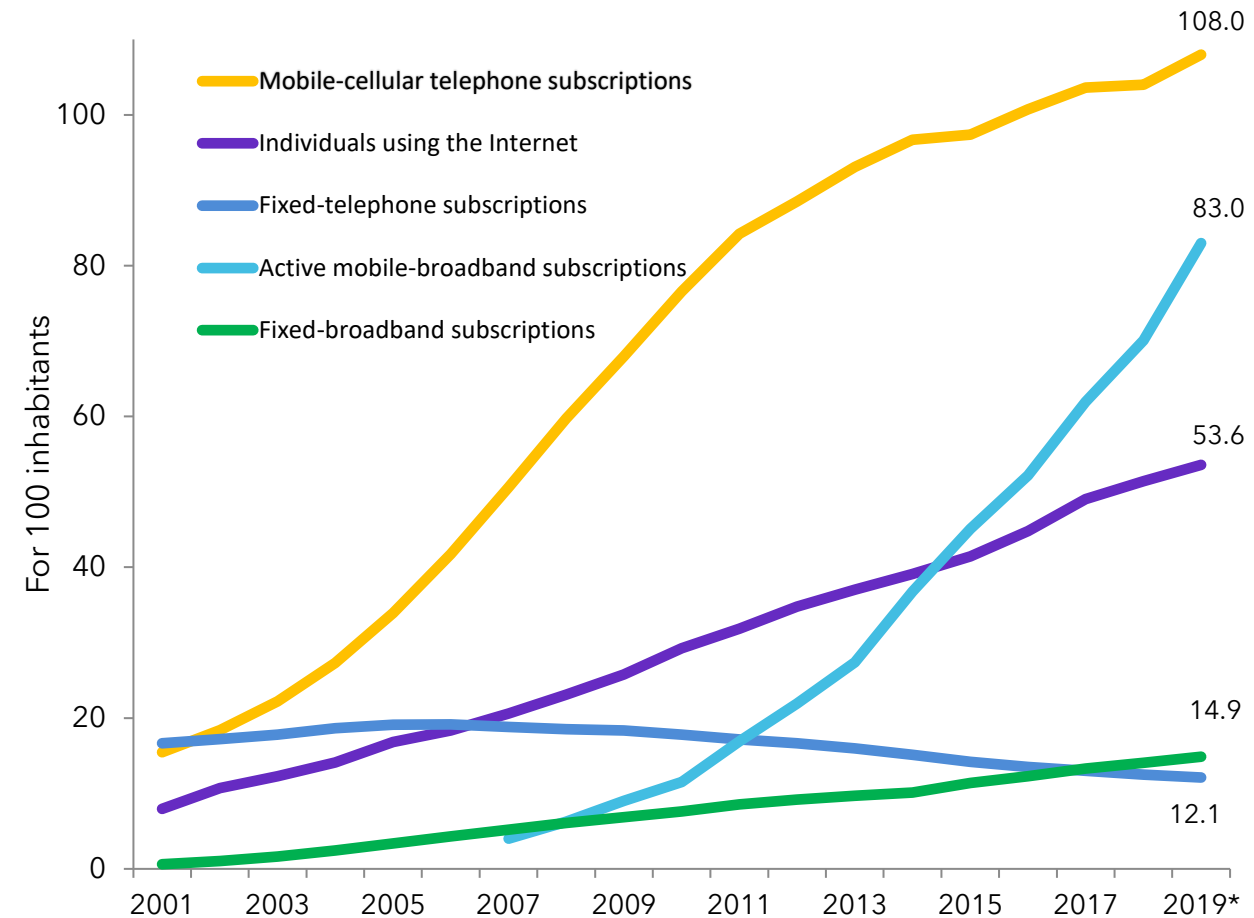


Regulatory process and tools need to be fit-for-purpose, allowing us to respond as rapidly as possible, yet in a considered and coherent manner

Today, **4.1 billion people** or **53.6%** of the global population is online...

but many remain unconnected

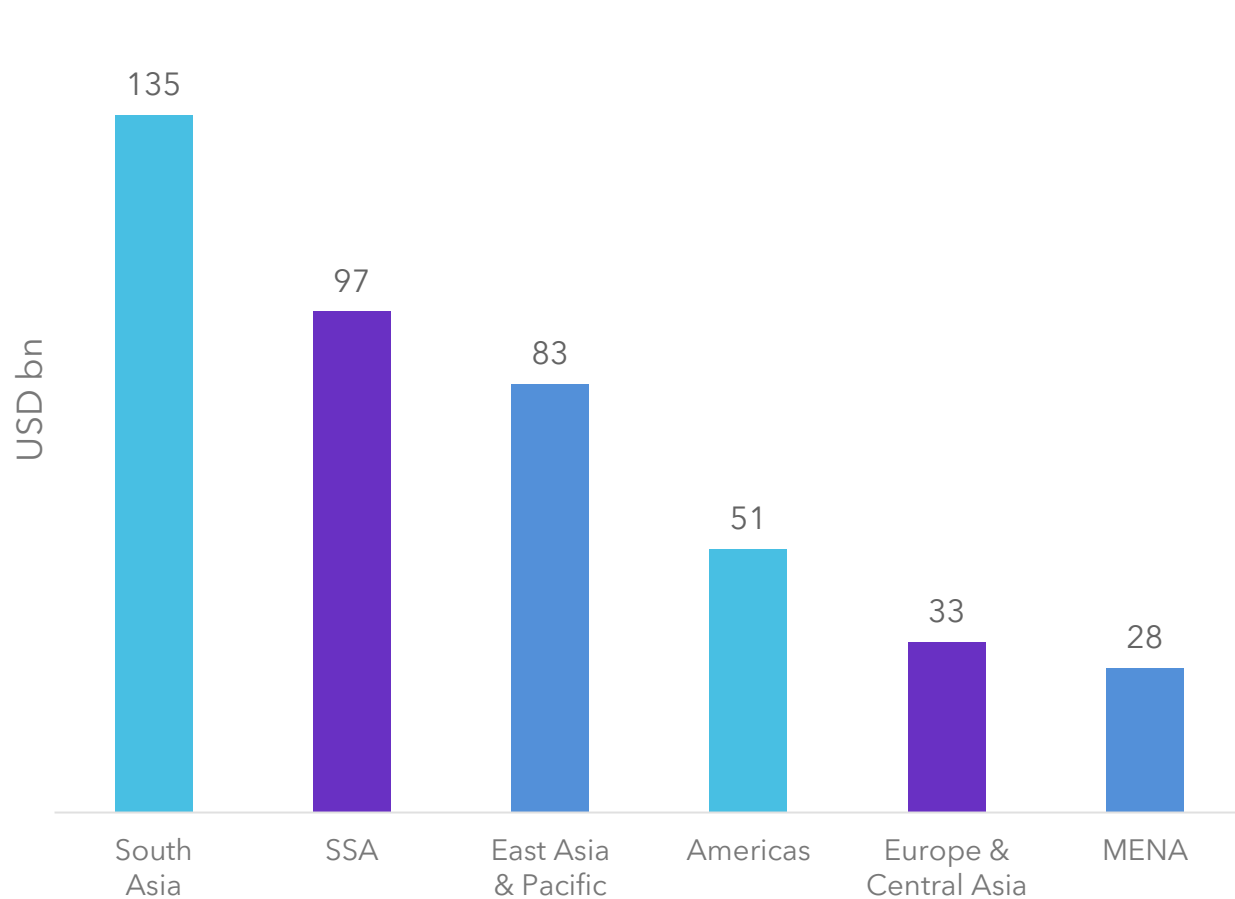
Evolution of Mobile and Fixed Subscriptions 2005-2019*



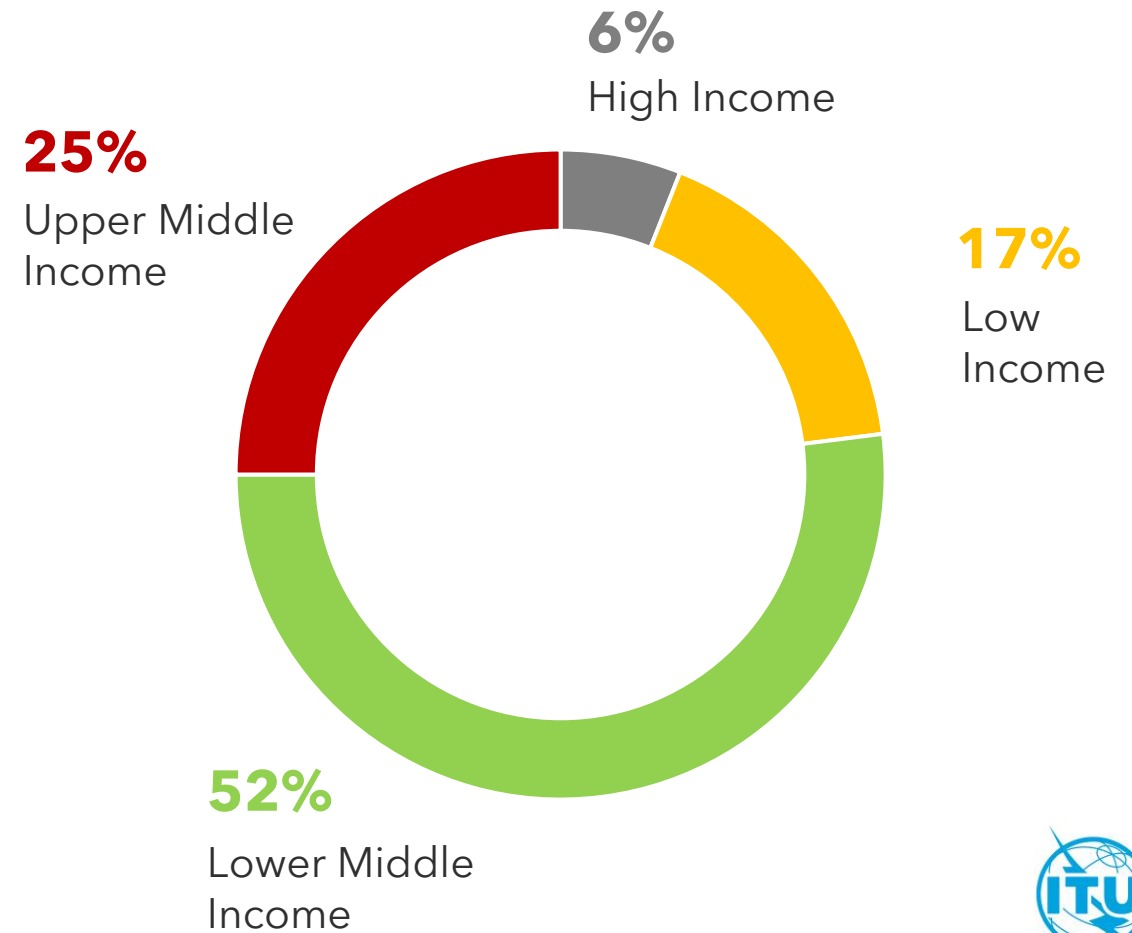
Note: * ITU estimate. Source: ITU



An ambitious goal, and a major infrastructure investment challenge: 428 billion dollars required to **connect the rest of humanity** by 2030



Source: ITU Connecting Humanity Study, 2020.



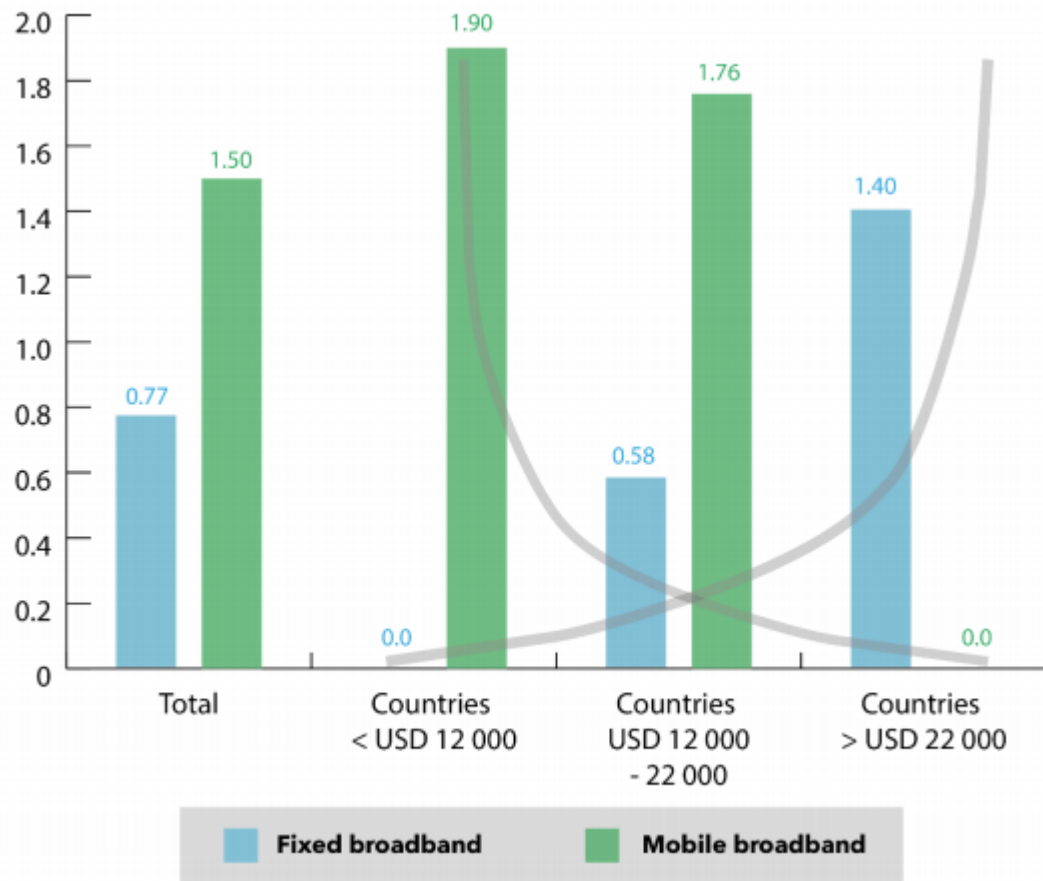
A woman with dark hair tied back, wearing a white tank top, is shown in profile from the chest up. She is smiling and talking on a black mobile phone held to her ear. Her right hand is raised in a gesture. The background is a blurred outdoor setting with a building and trees.

02

Why is it important?

The Economic Impact of BB,
Digitization and ICT Regulation





Source: ITU (Katz and Callorda 2018)

The impact of broadband at global level

The broadband economic impact models confirm that:

- At the aggregate level, **mobile broadband appears to have a higher economic impact** than fixed broadband;
- The economic **impact of fixed broadband is higher in more developed countries** than in less developed;
- On the opposite, the economic **impact of mobile broadband is higher in less developed countries** than in more developed.





Mobile broadband generates a **larger economic contribution** than fixed broadband, when examined globally.



Developing countries **benefit more from mobile broadband** than industrialized countries.



Developed countries with high penetration of fixed broadband enjoy **larger benefit from the technology** than developing nations.



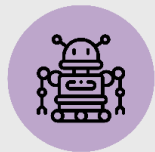
The **economic contribution of digitization** is higher in advanced economies than in emerging countries.



Digitization contributes significantly to **labour** and total **factor productivity**.



The development of digitization is driven by **institutional and regulatory factors** and not only by variables such as economic development.



Digitization accelerates when a country introduces **structural changes in policy and institutions** which are related to digital technologies - after a time lag.

The impact of broadband at global level

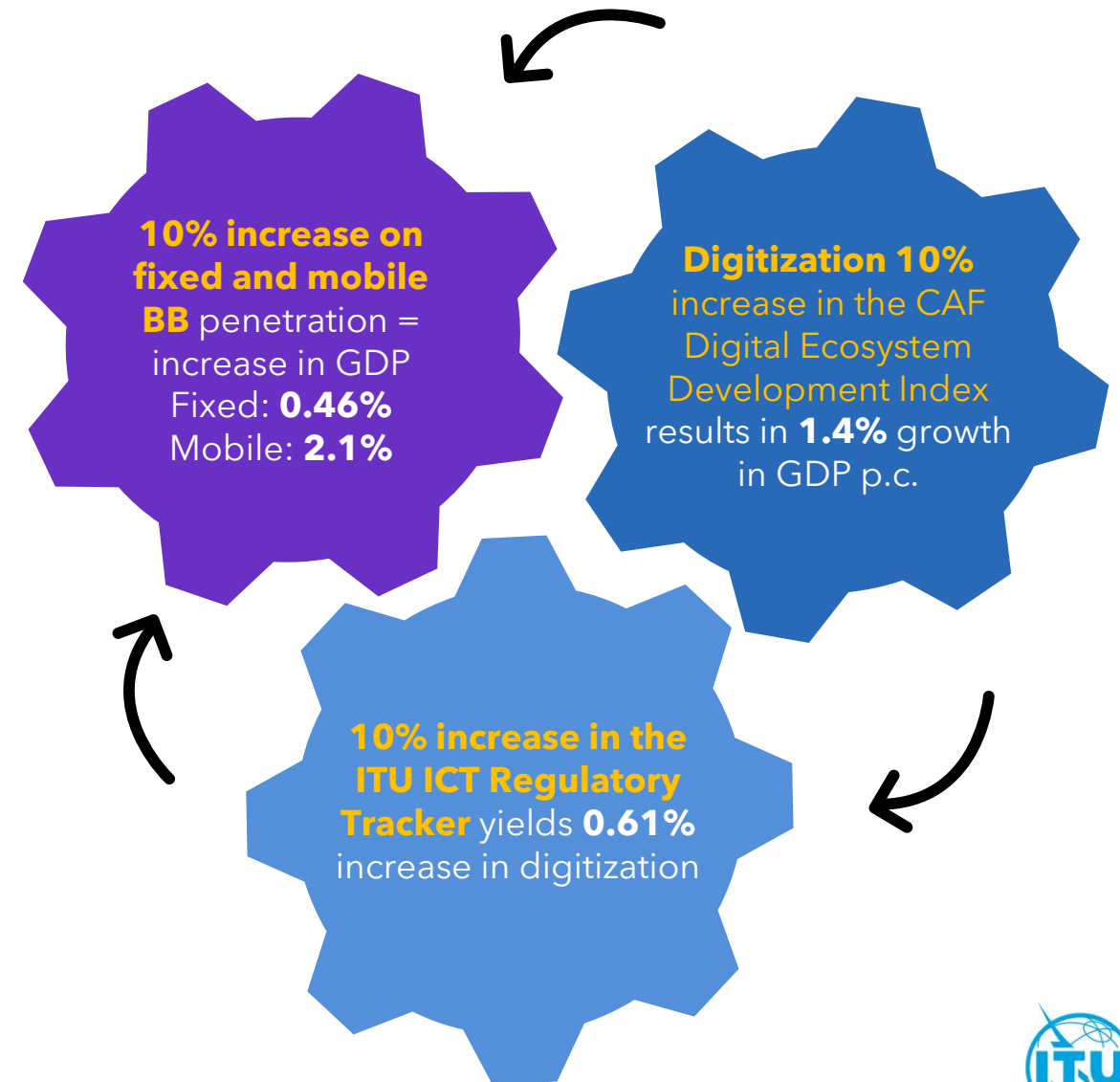


The impact of regulation

- Regulatory and institutional frameworks are essential **in driving digital ecosystem growth** and the effect builds up over time
- **The connectivity of digital services** is significantly correlated with the level of advancement of ICT policies and regulations, and the competition and market power regulatory set-up in particular
- **Investment and development of infrastructure in the digital ecosystem** are directly and positively influenced by the maturity of ICT regulatory frameworks and by ICT competition
- Level playing field in the digital marketplace is hard to achieve
- **New policies and regulations need to be built in and onto existing ones** in order to increase their relevance and impact on the development of the digital ecosystem.

The economic contribution of broadband, digitization and ICT regulation

Econometric modelling
for Europe



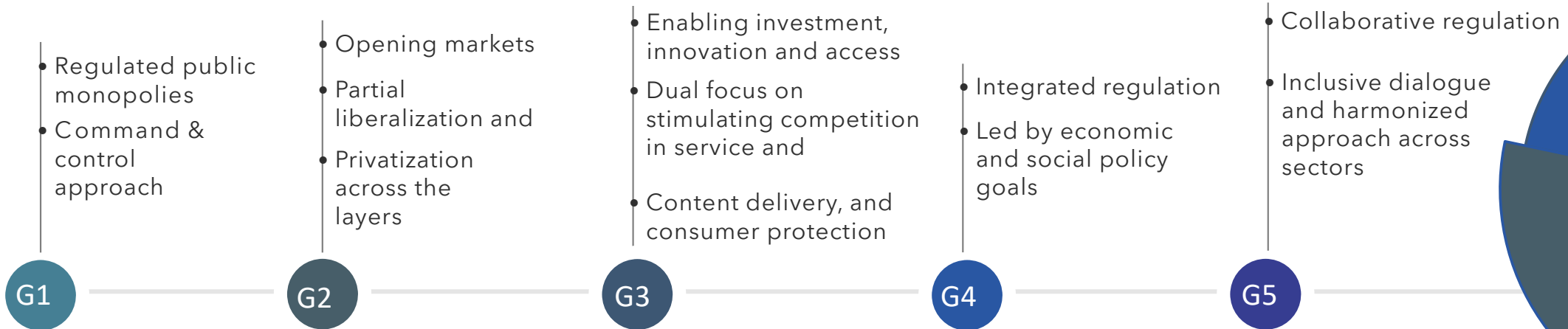


03

The evolution of regulation

How has regulation evolved?

The ICT Regulatory Tracker tracks the **transition of countries** through generations one to four



Benchmark for collaborative regulation, G5

Regulatory upheaval from new technologies will give rise to the fifth generation of regulation.

Countries need to leap forward to the next level of regulation, with a new attitude and a new toolbox.

At the core are principles of strengthening institutional capacity and collaboration, principle-based regulation and new tools and processes while building on the acquis of previous generations of regulation.

G5 does not mean more regulation, but rather more hands-on, inclusive and evidence-based regulation and decision-making.

Degree of collaboration between the ICT regulator and:

- Competition authority
- Consumer protection commission
- Data protection commission
- Spectrum agency
- Broadcasting regulator
- Financial regulator
- Energy regulator
- Internet agency

G5 toolbox: Cross-sectoral policies on

- Competition
- Data protection
- Cybersecurity
- e-Commerce/e-Transactions
- Digital financial services
- OTT/digital platforms
- Internet of things
- Accessibility
- Taxation of Internet services
- Infrastructure mapping

Policy design principles

- Forward-looking
- Holistic
- SDG-oriented
- Evidence-based
- Market-proof
- Incentive-based
- Innovation-based
- Inclusive
- Technology-neutral





05

Leadership

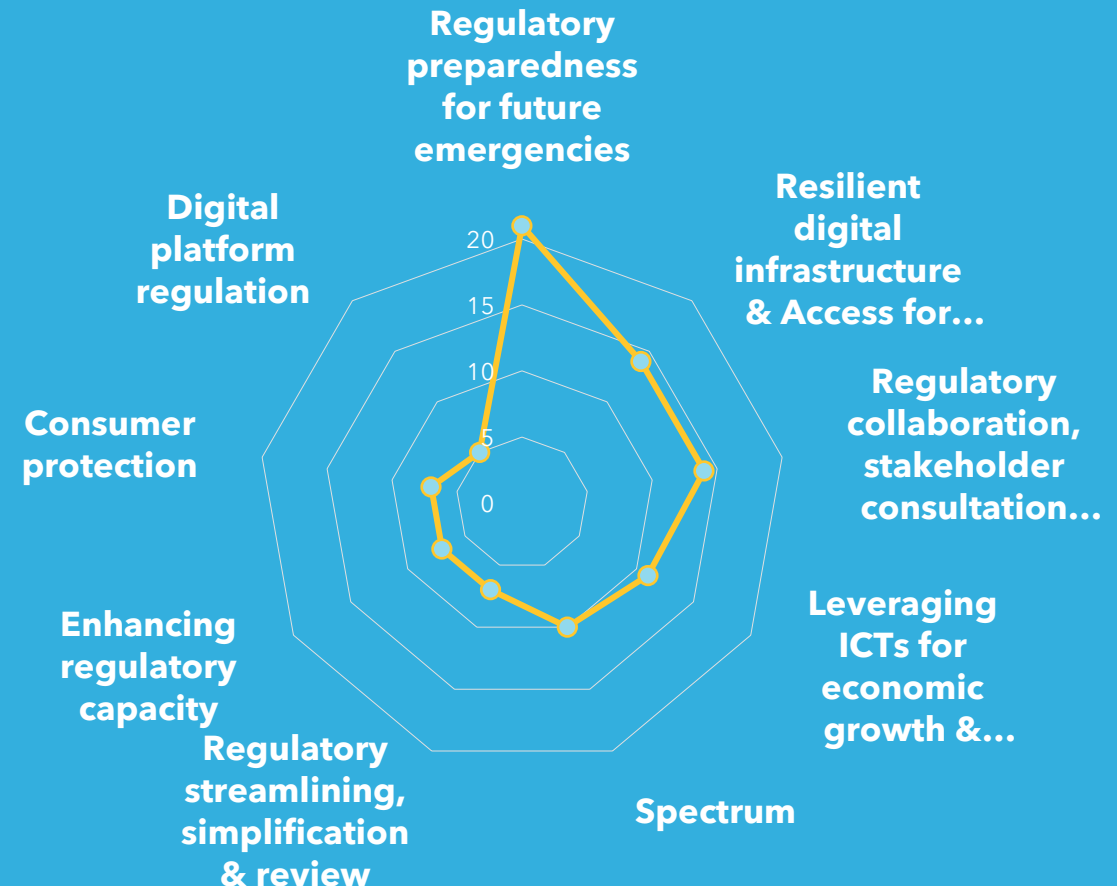
The Gold Standard for Digital Regulation

GSR-20 Best Practice
Guidelines



Main topics of focus in contributions to the GSR-20 consultation

- The most discussed topics range from digital infrastructure to spectrum to consumer protection and digital platform regulation.
- A major focus on enhancing regulatory capacity, decision-making processes and regulation
- Forging emergency-proof regulation is an omni-present concern.



05

Digital Economy and
Regulation Policy Tools and
Support

Use our data to inform your decisions & track your growth

The screenshot shows the ITU ICT-Eye website. The header includes the ITU logo and 'ICT-Eye ICT DATA PORTAL'. A navigation menu on the left lists 'Home', 'Topics', 'Compare', 'Country Cards', 'Query', and 'Metadata'. The main content area features the headline 'The easiest way to access ICT data.' followed by a paragraph: 'ITU, the UN specialized agency for information and communication technology, has its "eye" on ICTs and is recognized around the globe as the leading provider of timely and comprehensive telecommunication/ICT statistics and trends. The ICT "eye" website is a one stop-shop for ICT information and provides telecommunication/ICT indicators and statistics, regulatory and policy profiles, and national tariff policies.' Below this is a green button labeled 'EXPLORE DATA'.

The logo for 'ITU ICT Regulatory Tracker' features the ITU globe icon, the text 'ITU ICT Regulatory Tracker', and the hashtag '#ITUdata'.

The cover of the 'Global ICT Regulatory Outlook 2020' report features a blue background with a compass rose, a smartphone, and a laptop. The ITU logo is in the bottom right corner.

Share your experiences and see what works and where

The FIGI logo consists of three overlapping circles in green, red, and yellow, each containing an icon: a document, a fingerprint, and a padlock. To the right, the text reads 'FIGI FINANCIAL INCLUSION GLOBAL INITIATIVE'.

The banner for the 'ITU Regulatory Association Portal' shows a group of people gathered around a glowing, digital globe with network lines. The text 'ITU Regulatory Association Portal' is at the top.

The banner for the 'ITU Digital Ecosystem Portal' features a globe made of colorful mosaic tiles. Text includes: 'ITU Digital Ecosystem Portal', a quote: 'To meet the expectations of a rapidly evolving digital ecosystem, policy makers and regulators need to adapt and develop more flexible, innovative and light-handed regulatory frameworks expanding beyond the traditional core telecom sector to take into account the multi-facet and multi-stakeholder dimensions of the digital world.', and 'Mr Brahma Sarma, Director, ITU Telecommunication Development Bureau (BDT)'.

The banner for the 'ITU Infrastructure Development and Connectivity Portal' shows three children looking at a tablet. Text includes: 'Broadband/Network | Emerging Trends', 'November 21, 2019', 'ITU publishes new ICT Infrastructure Business Planning Toolkit', and 'ITU Infrastructure Development and Connectivity Portal'.

Read our research on best practices related to all current and future challenges

Opportunities of broadband, regulation of 5G, digital identity, ICT infrastructure, ICT investment needs...

The banner for the 'Global Network Resiliency Platform' features a network diagram over a globe. Text includes: 'Global Network Resiliency Platform', 'Best practices to improve COVID-19 responses', and '#REG4COVID'.

A collage of various ITU reports and publications covers. Visible titles include: 'The economic impact of broadband, and ICT regulation', 'Setting the Scene Opportunities & Challenges', 'Digital identity the ICT ecosystem An overview', 'Maximising Availability OF INTERNATIONAL CONNECTIVITY IN DEVELOPING COUNTRIES STRATEGIES TO ENSURE GLOBAL DIGITAL INCLUSION', 'ICT Infrastructure planning to 2030', and 'Connecting humanity Assessing investment needs of connecting humanity to the Internet by 2030 August 2020'.

The screenshot shows the 'Digital Regulation Platform' website. The header includes the ITU and World Bank logos, and navigation links for 'About', 'Themes', and 'Publications'. The main image shows three people using smartphones. Below the image, it says 'A global resource for policy-makers, regulators, the tech industry and consumers.' The footer lists categories: 'REGULATORY GOVERNANCE', 'COMPETITION AND ECONOMICS', and 'SPECTRUM MANAGEMENT'.



Thank you!

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