

The role of Regulation to achieve Digital Transformation

Mr Jaroslav Ponder, Head of the ITU Office for Europe

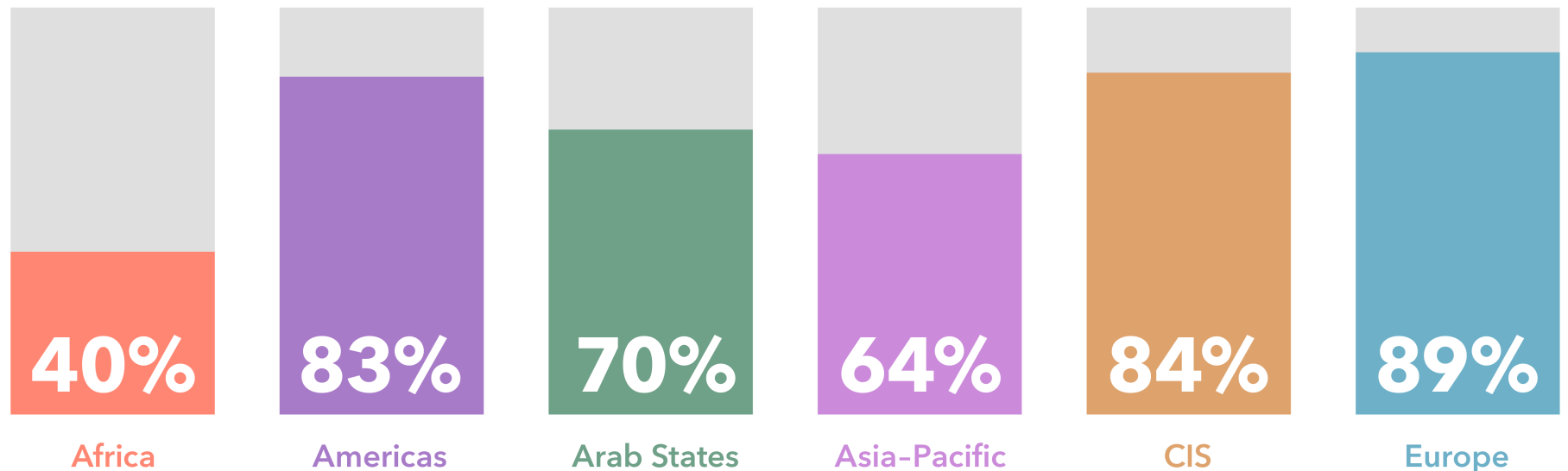
September 2023



A spotlight on digital access

Internet use by region*

Percentage of individuals using the Internet in 2022

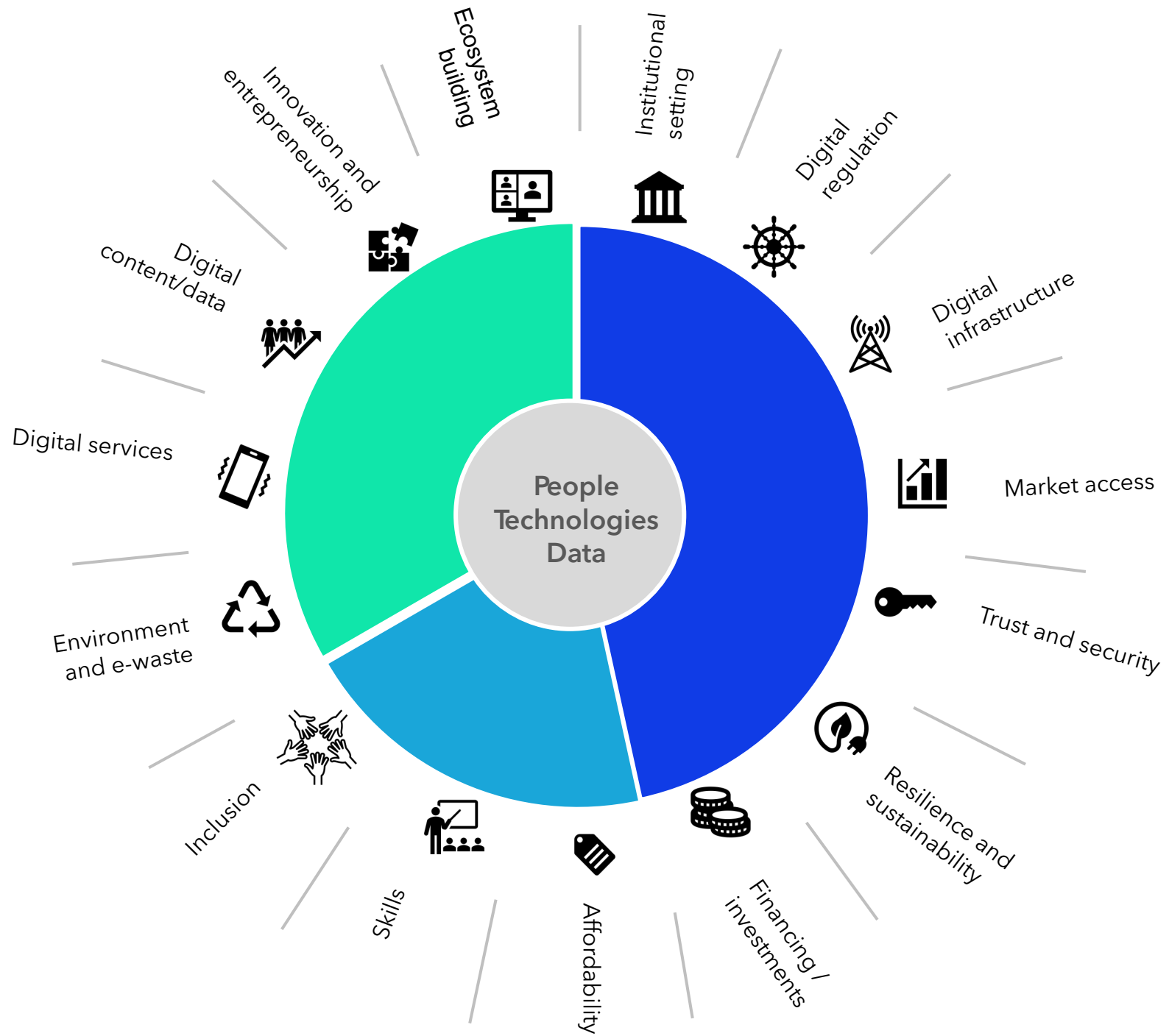


Source : ITU, *Facts and Figures 2022*

*ITU-D regions



...as digital impacts all sectors and aspects of people's life



Regulation in the digital ecosystem

REGULATORS

Security
Rules
Law
Risk management
Cyber-war
Cyber-crime
Protection of assets
Protection of society
Protection of privacy
Protection of traditional market players
Labor protection
Syndicates
Control
Enablement of international digital spaces
Enablement of cross national technologies
Norms
Consumer protection
Enablement of a digital single market



DIGITAL

Free economy
Boundless communication
Full transparency
Business opportunities
High rewards
Freedom of ideas
Money
Open society
Open economy
Open government
New ideas
New ways of working
Flexibility
Connectivity
Global village
Innovation
Entrepreneurship



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.

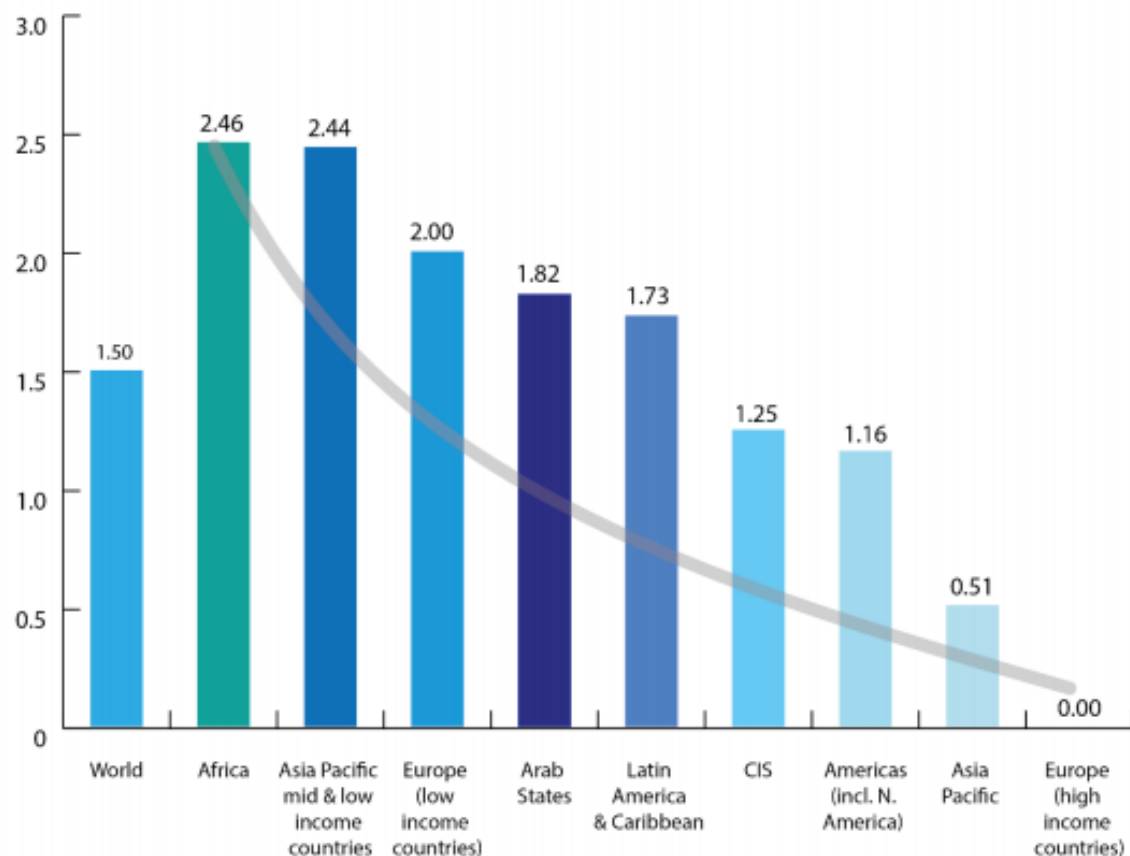


Digitization accelerates when a country introduces **structural changes in policy and institutions** which are related to digital technologies - after a time lag.

The economic impact of broadband at global level



Regional GDP growth impact of an increase in 10% of mobile broadband penetration (in per cent)



Source: ITU Report How broadband, digitization and ICT regulation impact the global economy - www.itu.int/go/Economic-Contribution

The impact of broadband at global level

The broadband econometric 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.**



Digital Policy & Regulation

Keeping up with Technological and Market Changes

Objective:

Supporting Collaborative ICT Policy and Regulation Frameworks for Digital Market Development and User well-being

Focus Areas:

- **Digital Policy and Regulation Engagement and Awareness:** exchange platforms and training enhancing collaborative policy and regulatory capability for digital transformation
- **Digital Policy and Regulation Tools Enhancement:** tools and processes and implementation support to strengthen agile and inclusive policy and regulatory frameworks and approaches

GSR-23 Best Practice Guidelines: Snapshot

Regulatory and economic incentives for an inclusive sustainable digital future

Incentives towards achieving meaningful connectivity



- Market access
- Universal access and service
- Balancing fiscal policies
- Innovative regulatory last mile connectivity solutions
- Research & development (R&D)
- Spectrum reform
- Green digital transformation

Incentives to support access, adoption and use



- Demand-side interventions
- Lowering barriers and duties to importing equipment
- Incentives for service adoption
- Digital skills and educational programmes

Cross-sector digital policy and regulatory principles



- Regulatory coordination in the digital landscape
- Inclusive decision-making cycles
- Data and benchmarks
- Research and foresight capacity
- Alignment with international standards
- Regional and international cooperation

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Best Practice Guidelines

Regulatory and economic incentives for an inclusive sustainable digital future



Dr Cosmas Luckyson Zavazava
Director, Telecommunication
Development Bureau (BDT),
International Telecommunication Union
(ITU)

The future of sustainable and inclusive digital transformation will depend on the right regulatory and economic incentives, encouraging innovation, creating a level playing field for all stakeholders, will foster social welfare and economic growth contributing to a better digital future for all.



Eng Hossam El Gamal
Executive President and GSR-23 Chair
National Telecom Regulatory Authority
(NTRA)
Egypt (Arab Republic of)

Digital has become increasingly important in today's society. The lack of connectivity, inclusive access to and adoption of digital services can be a significant barrier to socio-economic development, making regulatory and economic incentives essential to stimulating sustainable infrastructure deployment, innovative solutions, and affordable use.

Incentives towards achieving meaningful connectivity include:

- **Market access:** ensuring a competitive environment by providing incentives to bring novel solutions and technologies by establishing safe space for experimentation
- **Universal access and service:** consider incentives for network deployment in unserved and underserved areas that may include subsidies, grants, low-interest loans, loan guarantees, reducing regulatory fees, introducing fee exemptions or tax break... and **employ universal service funding**
- **Research & Development:** consider providing financial or fiscal incentives to support research and development in emerging digital technologies
- **Spectrum reform:** take steps to make sufficient spectrum available to support rapid deployment of next generation services, innovation and investment in terrestrial and satellite infrastructure and spectrum-based services
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Incentives to support access, adoption and use include:

- **Demand-side interventions:** to promote literacy and advanced digital skills and development of relevant local content and solutions
- **Lowering barriers to access digital devices and equipment and incentives** to foster adoption that include special rates for targeted population
- **Digital skills and educational programmes:** facilitating educational and a wide range of digital skill programmes in schools, training for the elderly and populations in vulnerable situations
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Cross-sector digital policy and regulatory principles include:

- **Regulatory coordination in the digital landscape:** reinforce legal and institutional frameworks for collaboration that outline the processes, mechanisms and tools to be used across sectors and parts of government
- **Inclusive decision-making cycles:** regular dialogue across government authorities, sectors and stakeholder groups for engagement, through public consultations, forums, etc.
- **Data and benchmarks:** Regulators need the resources and capacity to collect relevant data to support their decisions and to **research and foresight capacity**
- **Alignment with international standards and collaborate at the regional and international level and participate**
-

Digital regulation good practices



- Open, inclusive and transparent regulatory process
- Multiple formats and modes of regulation including de-regulation
- Pro-competition frameworks for digital transformation
- Resetting market definitions
- Space for digital experimentation
- Regulatory incentives
- Stakeholder engagement vehicles
- Robust and enforceable mechanisms for consumer protection
- Market-based mechanisms for spectrum management
- Regulatory impact assessment
- ...

Digital Regulation Platform and Training

A global resource for policy-makers, regulators, the tech industry and consumers in navigating digital regulation for digital transformation



The Interactive Platform

<https://digitalregulation.org>



The Handbook

<https://digitalregulation.org>

The Training

<https://digitalregulation.org>

The G5 Accelerator



G5 Accelerator

The collaborative decision-making powerhouse

About

Reading room

Metrics

Publications

Are you ready for your digital transformation journey?

The G5 Accelerator brings together high-value tools and resources offering practical, step-by-step support for countries already embarked or planning to embark on their digital transformation journey. Discover the gold standard for collaborative digital policy and regulation.

Explore

[ITU | G5 Accelerator
\(gen5.digital\)](https://www.itu.int/gen5.digital)

Metrics

A set of complementary metrics is at hand for regulators and stakeholders to better understand the interplay between regulatory policies, markets and economic growth in ICT and digital markets. The metrics enable countries to find their path through the digital transformation and craft custom roadmaps to accelerate progress and amplify impact.

ICT Regulatory Tracker

Evidence-based tool for decision-makers and regulators in the journey from G1 through G4

Explore

G5 Benchmark

Sets new goals for regulatory excellence in the digital transformation

Explore

Data-driven tools

A set of data-driven tools is at hand for regulators, policy makers and all stakeholders to better understand the interplay between regulatory policies, markets and economic growth

ICT Policy Impact Lab

Explore the impact of policies and regulations on ICT investment

Explore



ITU Broadband Maps

Identify connectivity gaps to develop a robust global ICT infrastructure

Explore



Library of National Approaches



[ITU | G5
Accelerator
\(gen5.digital\)](#)

- **Kenya**
Collaborative regulation for digital transformation
- **Brazil**
Regulation in the digital transformation
- **Colombia**
Regulation at the forefront of digital transformation
- **Egypt**
Egypt's digital transformation and collaborative regulation
- **Saudi Arabia**
Saudi Arabia's digital transformation and collaborative regulation
- **Senegal**
La régulation collaborative au Sénégal
- **Democratic Republic of the Congo**
La régulation collaborative en République Démocratique du Congo
- **Mexico**
Collaborative regulation for digital transformation in Mexico
- **Rwanda**
Switching on "Smart Rwanda": digital inclusion, collaboration and a G5 mindset
- **Tanzania**
A solid base for moving to G5 regulation
- **Romania**
Collaborative regulation in Romania: case study
- **Moldova**
Collaborative regulation in Moldova: case study

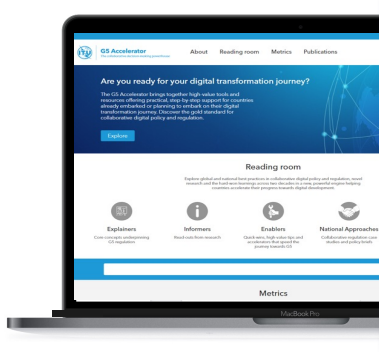
Global Digital Regulatory Outlook Report

The Global Digital Regulatory Outlook 2023 benchmarks regulatory progress across 193 countries worldwide, building on the successful track record of the first three editions. This new analysis is the go-to reference for regulators and policy-makers seeking to understand a fast-moving landscape – and shape regulatory change that will benefit all in the quest for digital transformation.

<https://www.itu.int/en/ITU-D/Regulatory-Market/Pages/gdro23.aspx>

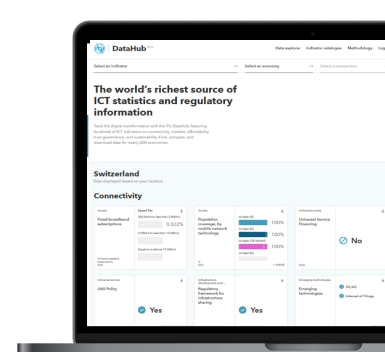


Data to inform decisions making & track growth



ITU DataHub
G5 Accelerator
ICT Regulatory Tracker
G5 Benchmark
ICT Policy Impact

Share your experiences and see what works and where



Global Symposium for Regulators
ITU Digital Ecosystem Portal
ITU Infrastructure Development and Connectivity Portal
FIGI | Financial Inclusion Global Initiative
Regulatory Associations Portal

Research on best practices related to all current and future challenges

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

