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Final Report

Private Sector Roundtable: Partnering for the SDGs

1. Opening of the Meeting

The [Private Sector Roundtable](#) was held in Buenos Aires, Argentina on Sunday, 8 October 2017 as a pre-event to the World Telecommunication Development Conference ([WTDC-17](#)). The meeting was attended by over 100 participants from the public and private sectors.

The meeting was opened by Dr. Eun-Ju Kim, Chief of Innovation and Partnership Development, ITU/BDT. While welcoming the participants, she highlighted the value of ITU-D membership both from private and public entities to advise how the development sector can special occasion of the meeting, coinciding with both the WTDC-17 and the 25th Anniversary of the Development sector.

2. Opening remarks by the Deputy BDT Director

The Deputy to the BDT Director, Mr. Yushi Torigoe, in his address on behalf of the BDT Director, emphasized the unique membership foundation of ITU, where private sector, plays a very important role. He expressed his thanks to the Argentinian Government for hosting WTDC-17 and thanked the Moderator Mr Bocar Ba, for his work as Chairman as the Private Sector Chief Regulatory Officers (CRO) platform and for moderating the meeting. The Deputy BDT Director, stressed, the shared vision to exterminate extreme poverty, collaborate for shared prosperity and the realization of the Sustainable Development Goals. He noted that, innovation and ICT's, through multi-stakeholder partnerships, plays a critical role. He invited all participants to deliver together through a constructive dialogue, by reflecting on opportunities and by committing to action.

3. Keynotes by the Moderator

Mr. Ba, in his keynote, drew on the primary objective of the Roundtable, to serve as a forum for public and private sector stakeholders to share and discuss experiences, challenges, and key success factors relating to the establishment of effective public-private partnerships in a converged ICT ecosystem, thus fostering investment and socio-economic growth and greater involvement in the globally-agreed Sustainable Development Goals (SDGs). Mr. Ba stated, "This Roundtable is special in its own right as it reflects on ITU's readiness as an institution to take private-sector views into policy-level consideration at the Member States level. This Roundtable compliments existing platforms within the ITU, such as the CRO, and the m-Powering Development Initiative's WG on Partnerships, both of which facilitate and

support the establishment of public-private partnerships." Mr. Ba then presented the activities and initiatives of the CRO platform and shared his views on how the private sector can play its role in revitalizing partnership development toward fulfilling the SDGs.

4. Debate: Partnering for the SDGs

The Debate was centered around the challenges, opportunities and key success factors in establishing innovative public-private partnerships on ICT④SDGs and the role of policy makers to foster an enabling environment for partnerships and investments. The chairman encouraged the participants to focus on the expectations of the private sector and to identify the challenges moving forward, while keeping the discussion solution centered. In essence, the discussion reflected that governments / ministries and sector regulators need to coordinate and cooperate better and work together, rather than in competition with each other or in silos (ideally through a digital ministry or digital national council), to support and enable the achievement of the SDGs through PPP-based private sector involvement. The most important principles highlighted to make PPPs successful include maintaining the principle of co-design; (2) establishing strong local management structures; and (3) working with a committed funding source that shares the vision of the project.

ESOA stressed the need for continued focus on access and connectivity, and how satellite represents a complementary solution to existing ones to fill the gaps, especially in rural areas. However, there is a need on the side of regulators to remove regulatory barriers, such as licensing and taxation and to put in place a general competition framework. Regulation should be flexible and technology agnostic.

Intelsat noted that it is important that the regulatory environment is technology neutral and all technologies are on equal footing. As it stands today, due to the different conditions for implementation of specific technology solutions related to the SDGs, some are not economically viable.

Pakistan Telecommunication Authority highlighted that a policy change, namely the liberalization of the telecommunications market and hand-over to the private sector, effected the revolution in telecommunications, which has led to increased tele density. Regulations are still needed and more needs to be done by governments to facilitate PPPs. Talking about ICT Policy and Public-Private partnerships, the challenge lies in that much of the policy is not enacted by the same people. Today governments cannot face these challenges in isolation, i.e. as isolated IT or ICT issues. With the movement towards a digital economy, government has to work as a whole through e.g. a digital ministry. The problem has been that all separate entities in government have their own targets to meet and make their own decisions, but we are reaching a stage where these decision take place at highest level of intervention to instruct other parts.

Nepal Telecommunication Authority added the importance for finance ministers to not make the telecommunications sector the golden goose. Nepal, Bangladesh and Pakistan have the highest tax in telecom, and this makes it hard for regulators to push ICT agenda themselves, and in extension companies working in the ICT sector. Each ministry works in silos. This is a problem.

Inmarsat discussed its 40-year history of collaborating with governments to achieve important public interest goals. Inmarsat detailed three projects, focusing on health, sustainable fishing, and disaster response, which typify the sorts of public-private partnership project in which Inmarsat participates. Inmarsat identified three keys to establishing a successful public-private partnership, (1) maintaining to principles of co-design; (2) establishing strong local management structures; and (3) working with a committed funding source that shares the vision of the project.

Orange discussed the practice paradox that despite everyone is convinced of the need for PPP, its implementation remains difficult. ICT is not a specific sector anymore, but it penetrates all instances of society. (1) There is need for a global digital policy, global digital institution and a national council for digital development; (2) Partnerships must have a long-term approach, with five to ten-year investment plans, elaborated concrete actions and go through processes to deliver the expected result. Orange called for a concrete global approach with financial commitments to make all actors work together.

- **Proposal:** ITU should elaborate some good practice according the principles of Public-Private Partnerships that could be used by the private sector, and be improved upon over the years. Possible there could be a working group designed to develop this plan.
- **ITU** noted Orange's proposal as a good reference for moving forward.

MasterCard discussed what attributes effective Public-Private partnerships have. They expressed (1) the need to create structured platforms for dialogue between the key stakeholders; (2) the development of a vision statement for financial inclusion and the role played by public and private stakeholders in fulfilling that vision; (3) the need to establish clear roles of responsibility through regular feedback, capacity building and technical inputs. Finally, MasterCard called for the role of Policymakers and Regulators to be transparent and predictable while fostering an open and competitive environment that incorporate licensing frameworks that acknowledge the tradeoff between innovation and risk management. Regulators must ensure that their regulatory frameworks support commercial viability.

TRAI India stated that the world is starting to move from the objectivity of just connecting people, towards providing real services and platforms through connections. Everyone needs to have a common platform that provides quality of service and internal apprehension.

LM Ericsson noted that before condemning the regulators for being slow, the private sector needs to understand the regulators' mandate: to safeguard their communities. There is also regulatory concerns about giving foreign entities access to information, rather than developing own platforms.

ARCTEL talked about the need for correct usage of ICT and the complimentary need of public investments where there is low ROI. There needs to be public funds in front of ICT projects, to enable and pull in normal investment processes. Network infrastructure is something that the private sector is not interested in, as there is low ROI and it consumes a lot of time. Therefore, infrastructure needs to be installed by public funds, and in return the public sector can ask for rent, exchange of services from the private sector. The issues of connectivity are more or less overcome at this point, the real question is what to do with the access. ARCTEL suggested to enlarge the national backbone, enable new

regulatory models and investment, as well as capacity building; while empowering local initiatives, new potential businesses, and private investment.

Internet Society stated that while half of the population is already connected, there is still much more work to be done, as the world works under assumption that everyone is connected. Therefore, there is a need for partnerships that renew the focus on connecting the unconnected through 3 levels of partnership: (1) promote initiatives, that moves and sets agenda; (2) partnerships in policy-making, by bringing in the knowledge from all sectors to find the mechanism and best solutions to face challenges; (3) Develop partnerships for action, through community networks that aim to connect people in remote areas. The Internet Society called for the need to bring in all stakeholders to create an enabling environment with innovative ways to license spectrum, engage private operators and share existing infrastructure. We need to align the objectives of civil society, government and private sector.

LM Ericsson noted that when talking about connecting the unconnected, it is not merely about access and affordability. Affordability is only ranked 4-5th in order of importance, while electricity is a big driver. We need to work on giving initiatives and reasons to connect, through tools and platforms. While 50% of the world is still unconnected, a lot of them have access to phones. Therefore, it is more efficient to improve upon 2G networks than to start from scratch. From Ericsson experience in Tanzania with its GSMA partners, resulted in 3 findings; (1) Regulators need to rethink the universal service fund, by changing its mandate and provide data connectivity; (2) Various sectors within governments do not communicate properly with each other, and departments charge taxes in conflict with other departments' goals; (3) It is crucial, in regards to investments, to provide regulatory certainty, many existing laws can take care of the technological development without the need to create additional regulation. Operators are generally not keen on the ideas of network sharing, as it creates distrust among the share of revenue and how it will affect customer base, therefore it is necessary to rethink public-private partnerships and rethink the business models that are applied.

GSMA discussed the need to increase the impact on all the SDGs, especially SDG3, by expanding infrastructure, creating better networks and put more people within reach of 4G networks. Partnership is the key element in the achievement of the SDGs, and should be used to develop the edges of network. The key trends for the success so far, is (1) creation of better networks; (2) greater connectivity and (3) increased use of mobile. The most valuable mechanism for mobile network roll-out is private investment and government need to focus on a policy environment that encourage investment. Industry partnerships has also an important role to play, for example in the field of big data as a driver for social good in times of humanitarian crises, epidemics and natural disasters. Operators need to think above and beyond business as usual.

OneWeb discussed their aim to connect all the schools and bridge the digital divide by 2027, by launching satellites that cover the entire globe. The success of OneWeb is due to regulatory frameworks with spectrum enabled freedom. For the continued success, first, there need to be exchange of information on technological freedom, reasonable regulatory regimes and streamlined employment and data collection. Secondly, reasonable regimes, which allow unique solutions in hard to reach areas,

to co-exist with traditional network solutions. Currently taxation and licensing fees are very different between different governments, and they need to be reasonable and facilitate deployment.

TRAI India raised the need to define the level of connectivity and establish the success points. Successful partnerships require; (1) Duties and responsibilities needs to be defined; (2) What services are to be provided; (3) What will be the revenue model; (4) Regulatory certainty. There need to be transparent framework and increased focus on educational programs, to remove skepticism of financial safety in technology.

Nepal Telecommunications Authority noted that PPP development is commonly agreed upon as crucial, but there are ample differences in the forging of missions. Private sector complain that they do not receive the commitments that they ask for from governments, however, Nepal has launched a massive backbone fiber network based on PPP. There exist licensing, taxation and spectrum charge problems, but indirectly the government do take care of these fees. Bureaucracy is a big problem; therefore, Nepal has created a 6-people committee for more efficient decision making process that circumvent bureaucracy.

Intel discussed the importance of public policy to partnerships and broadband. Broadband is a key driver for digital transformation and economic growth. It is also very important for the realization of the sustainable development goals. High-speed, high quality affordable broadband would be a boon to the citizens of developing countries and the right government policies and regulations can provide the necessary environment to making that happen. In brief, Intel supports facilities-based competition and targeted, efficient subsidies in high cost areas. However, many countries are also using public-private partnerships as an effective tool for the broadband development. Once again, the right policies and regulation are key to successful partnerships.

5. Closing remarks by the BDT Director

The BDT Director, Brahim Sanou, expressed his pleasure in the content and outputs of the discussions. He noted that the SDGs is a new opportunity for all stakeholders and can be a turning point for public-private partnerships. He highlighted the need to rethink innovative ways of working together from vertical to horizontal cooperation, with the people at the center of all considerations.

6. Closing of the meeting and final remarks

Chairman Mr. Ba thanked all participants for the contribution and highlighted that everyone is interested in further collaboration. He encouraged everyone to make these discussions public, share and discuss in other platforms within the ITU, such as in the CRO. He further noted that the willingness to collaborate and openness in communication among the participants, which included both private sector and public sector stakeholders, had been an excellent takeaway from the Roundtable, and that there was a need to now think about the next steps on how to concretely bring governments, operators service providers, and technology providers together for the benefit of the consumers and to making timely progress in the fulfillment of the SDGs.

Dr. Eun-Ju Kim thanked the moderator for his contribution to the high-level dialogue. She noted that the private-sector representative platform, the CRO, had come a long way since its inception as a pre-event to the GSR, and which has gained much more in-depth focus now in the format as roundtable discussion. She reminded the participants that the Roundtable was simply a warm-up for the WTDC, and she encouraged the participants to inject their ideas into the event and develop strategic plans embedded in programs towards realizing new initiatives and for the promotion of the SDGs.

The Chairman thanked all participants for their contributions to the discussion, and looked forward to follow-up on issues discussed.

The Chairman closed the meeting.
