OUTCOME REPORT

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INTRODUCTION

The GSR-20 Regional Regulatory Roundtable for Asia and the Pacific was held virtually on 30th July 2020 **under the theme of " Digital Transformation for Digital Economies @COVID-19 South-Asia"**.

The web dialogue was organized by the International Telecommunication Union (ITU), in partnership with the Telecom Regulatory Authority of India (TRAI) and the GSM Association (GSMA), aiming at engaging representatives of the National Regulatory Authorities and other stakeholders from South Asia to advance discussions on regulation for digital transformation in the post-COVID-19 era.

With this shared objective in mind, the webinar was held as part of the 20th Global Symposium for Regulators (GSR-20). The virtual event featured concrete recommendations designed to help regulators, policy makers and industry leaders in Asia and the Pacific to better understand the digital transformation in their region and to discuss the ways and tools that can create enabling policy environments in the post-pandemic world.

For two decades, the GSR has played a central role in helping stakeholders exchange and share experiences on policy and regulatory issues that are shaping the digital transformation and evolution of ICT/telecommunications markets such as evolving infrastructure sharing strategies, consumer trust related issues, digital taxation frameworks, blurring of the demarcation lines between content development and network operation, network investment issues, and digital inclusion.

When GSR was launched in 2000, there were around 100 telecoms regulatory agencies worldwide. Today, close to 90% of countries worldwide have a separate ICT regulator, managing vital issues like spectrum allocation, operator licensing, and national network development. As ICTs underpin our digital economy, the broadening ICT landscape is increasingly becoming intertwined with that of other industries, from transportation to banking to health – and others. We are seeing this shift play out at ITU, where new, innovative players are joining top names in the business as ITU members and attend GSR. It is clear that our actions and discussions need to go beyond the ICT sector to take into account the digital ecosystem and to define how to foster digital transformation for people, countries and regions. This requires a collaborative approach to regulation and policy making.

Today, GSR has become the pre-eminent global meeting where regulators and policy makers discuss solutions to the many challenges arising from the rapid convergence of ICT services and interact with the private sector in their discussions. As the world struggles to manage the unprecedented global COVID-19 pandemic, the role of ICTs in providing solutions is more

important than ever. The role of collaborative ICT regulation for digital transformation of economies and societies is growing steadily – and GSR is more important than ever.

1. OPENING ADDRESSES AND SETTING THE CONTEXT

Ms Atsuko Okuda, Regional Director, ITU Regional Office for Asia-Pacific welcomed the delegates and opened the web dialogue on 'Digital Transformation on Digital Economies @Covid 19 South Asia' by emphasizing the importance of Digital Transformation on Digital Economies, particularly amidst COVID-19.

Opening Remarks

Ms Doreen Bogdan-Martin, Director of the Telecommunication Development Bureau, ITU, in her opening remarks thanked the team at ITU, TRAI and GSMA for holding this web dialogue and expressed that the crisis due to the unprecedented COVID-19 pandemic has resulted in rapid digitalisation of local economies. She also highlighted that digital technology has been helping tremendously in dealing with COVID-19.

Ms. Bogdan-Martin pointed out that the South Asian region is a region of contrasts as well as numerous geographical challenges. As the Asian countries have been hard hit by this pandemic, it is going to have a long-term impact on growth and economies of these countries. However, there are outstanding success stories in response to the COVID crisis, as Digital technologies and transformations are helping Governments in business continuity. She added that Digital applications and strong commitment to ICT will help shape the economies and as projected by IMF and ADB, regional growth is expected to return to robust levels in the years to come.

Mr Dan Sjöblom, Director-General of the Swedish Post and Telecom, Chair of BEREC, and Chair of GSR-20, mentioned that conducting GSR in these challenging times is very relevant. He emphasized the need for collaboration across traditional boundaries to find smart regulation as well as the need to exchange good examples to help countries unlock the potential of ICT and improve and save lives. He mentioned that we are now in the age of platform economy, with new windows of opportunities opening up. Regulators, he said, should consider what to regulate and how to regulate. He also noted that building robust digital economies, which win the trust of all - are the future and the only way forward. Regulators should create a good regulatory environment, bring in stability and predictability. According to Mr. Sjöblom, competition is a key issue that regulators should deal with.

Mr Julian Gorman, Head of Asia Pacific for the GSMA, highlighted that the pandemic has exposed the weaknesses of low broadband penetration and that Industry and Government should collaborate to overcome this situation. Regulation needs to evolve to deal with the

current situation and we need to be better prepared to foster digital economies. In most South-Asian countries connectivity is primarily mobile-first and, in some economies, mobile-only. However, cumbersome site approval processes, insufficient allocation of affordable a spectrum and not having the whole of the government approach is making it difficult in some countries to increase broadband penetration at a fast pace. Regulations need to be modified to accelerate broadband penetration and digital transformation.

Dr. R. S. Sharma, Chairman TRAI, India, thanked ITU and GSMA for conducting this web dialogue with TRAI. He applauded the active role played by ITU in bringing regulators and stakeholders together to deal with the situation and help the world in coming out of this crisis. Covid-19 has accelerated the need of digital economy. During this period, most of the activities have shifted to digital platforms and the telecom sector is playing a crucial role and serves as a backbone for all the sectors. Post Covid-19, new technologies such as 5G, AI etc. will play a greater role. He also mentioned that digital technologies are being used extensively in India to combat the unprecedented situation created due to COVID-19. He also emphasized the importance of providing seamless connectivity and extending affordable access services to all. In a country like India, he noted, the digital divide, and an imbalance in the spread of resources, infrastructure and population creates barriers to dealing with a situation like the current pandemic in an effective manner. While digital transformation is taking place at a rapid pace for some, solutions must be designed harnessing technology to the maximum benefit and keeping in view the new requirements.

2. SESSION 1: SEAMLESS DIGITAL CONNECTIVITY FOR ALL – COVID-19 RECOVERY AND LESSONS LEARNED FOR BETTER PREPAREDNESS AND RESPONSE

The discussion in this session focused on the ways for countries to be better prepared and to evaluate if the current strategies for connectivity are good enough. Furthermore, some of the speakers addressed the following issues:

- Total spectrum allocated and how does it compare with rest of the world.
- Per MHz / POP price of the last spectrum allocation.
- Reasons for suboptimal spectrum allocation and high prices.
- Strategies related to Infrastructure sharing and fiber deployment and reducing the cost of right of way.
- Connectivity initiatives related to rural areas.
- Licensing policies related to community networks.
- How are the policies being changed in response to COVID-19?
- Country cases, real deployment experiences and vision for future plan

Moderator: Dr R.S. Sharma, Chairman, TRAI, India

Speakers:

Dr Nagesh Kumar, Director, South and South-West Asia Office, UNESCAP;

Mr Ilyas Ahmed, Chief Executive, Communications Authority, Maldives;

Mr Purushottam Khanal, Chairman, Nepal Telecommunications Authority, Republic of Nepal;

Mr V. Raghunandan, Deputy Director General, International Relations, Department of Telecommunication, India;

Mr Omar Mansoor Ansari, Chairman, ATRA, Afghanistan;

Ms Monica Desai, Director, Global Head, Connectivity and Access Policy, Facebook, United States.

The session moderator opened the session by emphasizing the fact that seamless digital connectivity is the prerequisite for digital transformation as well as a pre-requisite for all online activities. Recent years have witnessed rapid expansion of telecom networks and deployment of newer technologies. However, seamless digital connectivity and availability of services at affordable rates, particularly in rural areas remain a challenge. Since the Telecom sector serves the digital economy, banking, information dissemination, money transfer, education, health, to name a few, it is of utmost importance that the core network is robust, and the core and access network efficient. At the same time, governments need to take all the necessary steps to facilitate access and robustness of networks by providing adequate spectrum - both access and backhaul spectrum - and defining liberal Rights of Way (RoW) policies.

Key points

- The COVID-19 pandemic continues to present very severe consequences for the South Asian economies. In particular, Micro, Small and Medium Enterprises (MSMEs) which form the backbone of all South-Asian economies, have been very badly impacted. This has led to loss of millions of jobs and livelihoods. UNESCAP has estimated that upto 132 million people could be pushed into extreme poverty due to these job losses in South Asia, wiping away hard-won gains of a whole decade in poverty reduction!

- The South-Asian countries would need between 7-14 % of GDP to mitigate the socio-economic impacts of the pandemic on South-Asian economies and to revive their economies.

- The Governments have taken various steps including the announcement of relief and stimulus packages to support poor and vulnerable people and providing support to the MSME sector. Given the pervasive informality the bulk of the workforce in South Asia is not covered by social security. In the medium term, South Asian countries

should move towards universal social protection and universal health cover to enhance resilience to the future shocks and pandemics.

- South Asian cooperation can support national actions in building back better not only in addressing the health emergency but in helping to revive the economies through exploiting the unrealized potential of intra-South Asian trade, against the collapse of world trade. Such cooperation could also help in digital transformation of South Asia by sharing the good practices in digital governance, direct benefit transfers, tele-education, telemedicine, contact tracing, among others, and in helping to bridge the digital divide.

- During this pandemic, like all other sectors, businesses are also moving to digital platforms. Broadband and ICT connectivity needs to be widened and the digital divide needs to be bridged. People are fast adopting digital platforms, and there is a need for reskilling the workforce to harness new opportunities.

- During the pandemic, digital technologies have proved to be the lifeline and come to the rescue of the people. Government and the Telecom operators launched many incentive programmes to offer free allowances and extension of bill payments to subscribers. The key lesson learnt is that to facilitate digital economies, policies (including spectrum assignment) should be moderate and liberal.
- In Nepal, Government is playing a key and supporting role. During this pandemic, people have migrated to digital platforms, in all areas, may it be education, health, banking, businesses etc. NTA has decided to use Rural Telecommunication Development Fund (RTDF) to reduce the digital divide by establishing Wi-Fi hotspots, supporting broadband penetration at government schools, rural schools, municipalities, etc.
- The Indian Government has developed open data source Apps to combat COVID-19, using which messages can be sent to the targeted group of people.
- Steps have been taken by Government of India towards enhancing digital connectivity, such as infrastructure sharing policies, delicensing of 600 MHz spectrum for proliferation of Wi-Fi, particularly in rural areas, issuing Rights of Way (RoW) policies with a view to facilitating telecommunication service providers getting timely access to resources at a reasonable price. Also steps have also been taken to enhance regional connectivity in ASEAN countries by using VSAT (Geostationary Satellite) and with the help of National Long Distance (NLD) and International Long Distance (ILD) operators.
- In Afghanistan, RoW regulations are already in place, infrastructure sharing is allowed and that they are in the process of reviewing the licensing regime in their country. Presently, most of the activities are paper based and their key goal is to become a

smart regulator and shift to paper-less scenario (digitization of processes and approvals).

- Facebook is extensively involved in enhancing digital connectivity, which is at the heart of their mission. Their dedicated team of experts and engineers work on better and broader global connectivity as well as affordability.
- Facebook has focus on different types of connectivity solutions for different geographies based on best fit case. The country regulator's policies impact on how the Facebook projects and initiatives work out. A primary focus area for Facebook is ensuring that there is an abundant supply of spectrum available globally, as spectrum is critical to connectivity. A balance of both licensed and unlicensed spectrum is necessary.
- On infrastructure sharing front, Facebook is developing Network as a Service (NaaS) as an innovative network shared model; it will enable mobile network operators to extend their services without the need to invest in capex but instead using open, shared cellular infrastructure that is owned and operated by a third party. While industry plays a significant role in closing the digital divide, innovation in government policy can have an equally significant impact.
- Wrapping up the session, Dr. Sharma, the moderator thanked participants, noting that the session was extremely enriching as it provided insights from participants from different areas and groups, including Governments, Regulators, private stakeholders and operators. Dr. Sharma highlighted that is of the firm belief that the challenges also bring opportunities to innovate and improve and that we need to focus on the lessons learnt and best practices to harness the available opportunities using better innovative ways.

3. FIT-FOR-PURPOSE INSTITUTIONAL FRAMEWORKS AND COLLABORATIVE REGULATORY TOOLS FOR DIGITAL TRANSFORMATION AND DIGITAL ECONOMY

In this session the speakers discussed the institutional framework for collaborative regulation and addressed some of the following issues:

- IMT2020 (5G) roadmap and if it is considered a luxury or a requirement.
- Whole of the government approach towards connectivity.
- Importance of fixed wireless and Fiber connectivity during and after COVID 19. What steps are being taken to improve fixed broadband connectivity? What are the immediate steps, short term measures and long term strategy?
- Licensing policies related to community networks and other innovative ideas for rural connectivity.

Moderator: Ms Sofie Maddens, Head of Regulatory & Market Environment Division, International Telecommunication Union (ITU)

Speakers:

Mr S.K. Gupta, Secretary, TRAI, India;

Mr Amir Azeem Bajwa, Chairman, PTA, Pakistan;

Dr Ahmad Reza Sharafat, IR, Iran;

Dr T. Naranmandakh, Chief Secretary, Communications Regulatory Commission of Mongolia (CRC), Mongolia;

Dr Sanjay K. Srivastava, Chief, Disaster Risk Reduction, UNESCAP, Statement;

Ms Jeanette Whyte, Head of Public Policy, APAC, GSMA;

Mr Jasper Li, Head of Industry Development of Emerging Market, Huawei Technologies;

Mr Ian Fogg, Global VP Analysis, Open Signal;

Dr Ismail, Director General, Spectrum Management and Postal and ICT Devices, Ministry of Communication and Informatics, Indonesia.

Interventions were also made by BTRC (Bangladesh) and Universal Service Fund Co (Pakistan).

Key points

- The fourth industrial revolution is sweeping the world by storm. The rise of the digital economy is one of the defining features of the 21st century. New platforms of collaboration and competition across the public and private sectors are presenting urgent imperatives for governments to innovate, to rethink policies.
- Digitalization has fundamentally transformed the way we live and work together. The global pandemic has pushed businesses everywhere into an accelerated state of digitalization. Current digitalization strategies typically focus on increasing and maintaining productivity of companies which are now busy responding to the Covid-19 pandemic.
- The greatest challenges to be faced by the regulators are - designing 'fit-for-purpose' regulatory frameworks; enforcement challenges; and the institutional framework challenges.
- 5G coverage is crucial for digital eco-system. Current 4G data networks should capitalize coming 5G technology. Interoperability of digital platforms is the key for

future technological growth and Digital Financial Services. It is important that the ICT regulator, federal banks and financial institution should work together to take care of counterfeit, online frauds and consumer interests. Fair and balanced regulatory regime is important for digital transformation.

- Adequate measures are being taken to address connectivity challenges. In Pakistan for example six undersea cables are providing adequate bandwidth for national ICT infrastructure. Pakistan is also promoting spectrum sharing, trading and Infrastructure and started 5G trials in the country.
- High speed broadband connection and good back haul connectivity is important for the Digital transformation. Extensive 5G trials are the need of the hour. Extensive use of digital transactions is the key take away of digital technologies.
- People, Process and Digital tools are three pillars digital transformation. Affordability of ICT tools is the key feature in digital transformation.
- A report While covering the usage of mobile phones in India, mentioned that mobile phone is not a luxury anymore, but it's a 'must have' one.
- USO fund can be utilized to compensate losses incurred by telcos. FTTH should also be strengthen to share data traffic load in post COVID scenario.
- In the COVID pandemic scenario use of ICT tools, Artificial Intelligence, Big data through various application can be helpful for risk management.
- In current COVID-19 situation three key drivers are: early detection, Rapid diagnostics and telemedicine. Digital solutions for risk analytics to handle simultaneous multiple crisis situations.
- Availability of affordable and high speed mobile data connectivity is necessary for long term digital resilience.
- Asia-pacific is an advanced 5G market; however, in South Asia the 5G opportunity is longer term, largely because there is still a lot of room to grow for 4G. 5G roadmap is not a luxury, rather it is a necessity. In its simplest form this means getting 4G right and pushing advancements in areas such as identity, digital commerce and payments, and cross ecosystem collaboration to ensure 5G is launched at the right time under the right conditions to promote a sustainable and competitive 5G mobile industry. In several South Asian countries this will require regulatory reform.
- Leveraging existing wireless infrastructure to provide 4/5G FWA service is a complementary and cost-effective solution in the short run. Universal meaningful connectivity (4/5G) needs to be promoted for the long term, with connectivity availability assessment as the short-term measure.
- In order to handle high data consumption in COVID-19 conditions Telcos world-wide have reduced the speed available to the subscribers.
- Availability of adequate spectrum is the key for network resilience.

- Learnings from COVID-19: acceptance for work from home, acceptance to shop online, acceptance for telemedicine, digital learning is part of the life and net meetings.
- Some of the important ingredients required for digital transformation are upgradation of infrastructure, geographic expansion, incentives should be made available from fibre deployment/submarine cable, USO fund availability for these deployments, creation of local contents, platform and e-commerce applications etc. collaborative approach of all the stakeholders are also important.
- Bangladesh government has taken initiatives to make government service available through 5G service at the level of district headquarters by the year 2021 and at tehsil level by 2023.
- Pakistan government is rolling out the Next Generation optic fibre programme under which 7800 km long fibre is being deployed to connect all tehsil headquarters. In the next phase 547 towns will be connected through fibre network, which will used for providing government e-services.
- More intervention required for satellite and fiber connectivity.

4. CONCLUSION AND WAY FORWARD

Ms. Atsuko Okuda, Regional Director of the Telecommunication Development Bureau, ITU gave the concluding remarks. While thanking the Moderators and the speakers, she had mentioned that the entire program was so rich that it is not possible to summarise it in few sentences.

Some of the take away points she had mentioned were :

- Efficient Spectrum Management is important for creation of 5G infrastructure, allowing sharing of spectrum and infrastructure sharing and collaboration amongst all stakeholders.
- Issues related to Right of Way (RoW) need to be settled both at national level and regional level.
- The importance of whole-of-government approach to regulation and policy making, particularly in response to COVID-19.

With that she thanked all the participants also for their active participation in the web dialogue.

5. RECOMMENDATIONS

COVID-19 has posed an unprecedented challenge but simultaneously it provides opportunities to quickly achieve digital transformation using digital connectivity and ICT infrastructure to ensure the availability of quality ICT services at affordable prices including

for rural populations following whole of the government approach. The following recommendations may be considered as an outcome:

- Adoption of moderate and liberal licensing regimes by regulators and governments has emerged as a trend in response to the present pandemic , but needs to be balanced with a consistent and stable regulatory environment;
- Encourage use of innovative spectrum policies such as use of technology neutrality, spectrum sharing, spectrum re-farming, spectrum trading while regarding spectrum as an enabler of connectivity that drives the digital economy;
- Consideration for adopting Network as a Service model (NaaS) approach to bridge the digital divide;
- Encourage optimal use of both licensed and unlicensed spectrum bands for enhancing seamless connectivity;
- Foster cross sectoral collaboration and ecosystem approach for facilitating take up of competitive ICT Industry, taking into consideration the evolution towards 5G;
- Foster digital innovation and level playing field to encourage synergies among MSMEs and affordable access;
- Encourage passive and active infrastructure sharing to reduce infrastructure development cost and expand access as a key enabler towards digital transformation;
- Develop skills for digital literacy to foster an inclusive ICT ecosystem through institutional and human capacity building in areas of new technologies and regulatory approaches.