



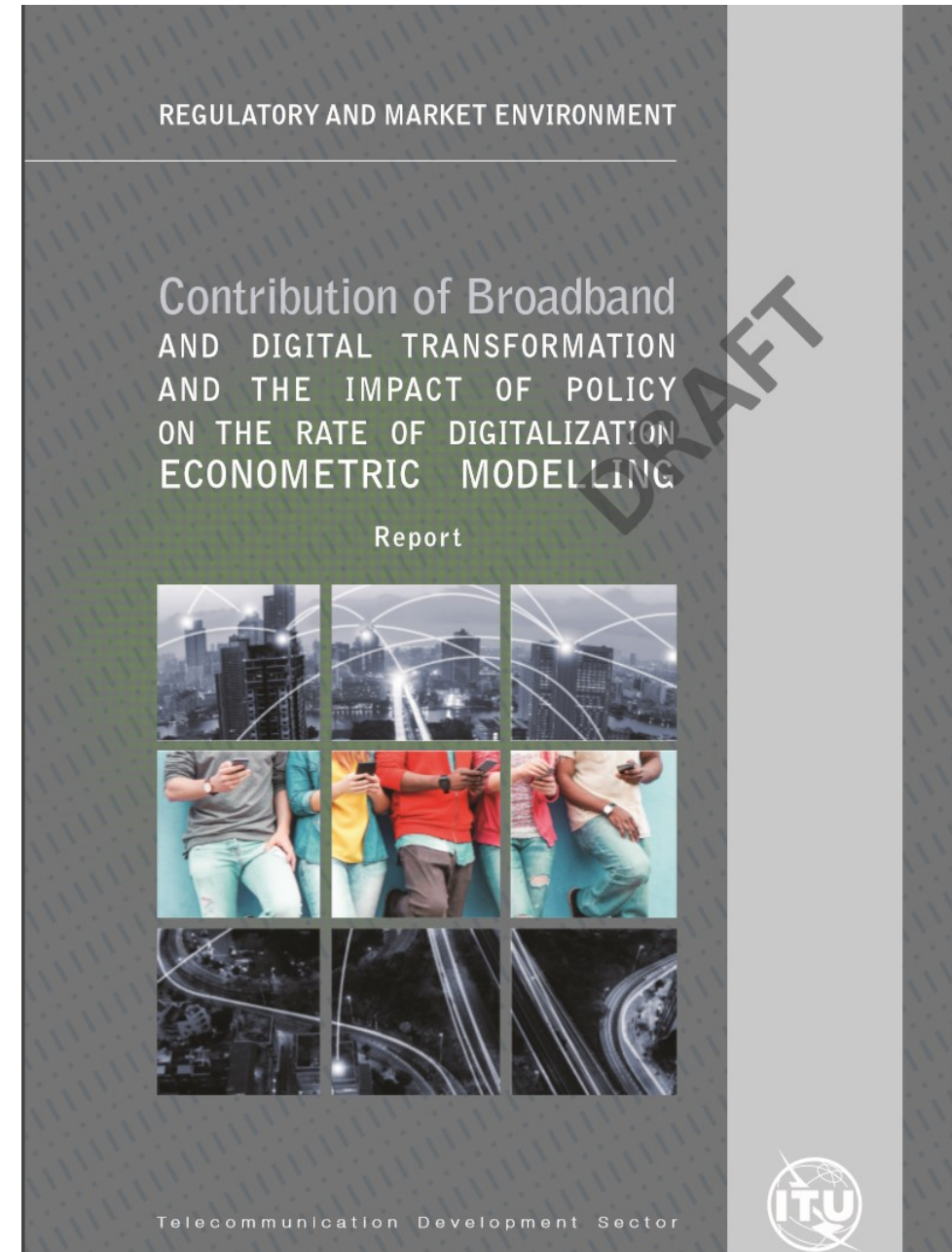
The economic contribution of broadband, digital transformation and ICT regulation

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The new study

- New landmark study to be released soon
- Based on cutting-edge econometric modelling
- Using top-tier data metrics on the development of the digital ecosystem (the Digital ecosystem development index) and the maturity of ICT regulatory frameworks (the ICT regulatory tracker).
- Providing clear evidence of the economic impact of broadband technologies, digitization and ICT regulation

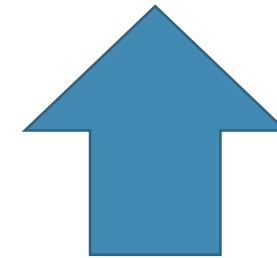




Impact of fixed broadband

- 2010-2017: significant economic impact
- Investment and labour force critically affect economic growth
- Prices for services are the key enablers for adoption
- Income levels affect the revenues and investments of operators
- Critical mass effect: the impact of fixed broadband appears at higher levels of economic development
- Return to scale effect: fixed broadband economic impact tends to increase with economic development
- Fixed to mobile substitution going on

0.8% increase in GDP



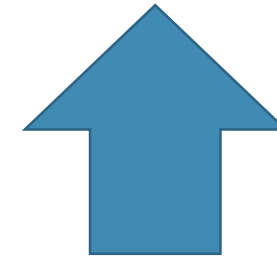
10% increase in fixed
broadband penetration



Impact of mobile broadband

- Higher average impact on economic growth than fixed broadband across all income groups
- Higher importance of investment than for fixed broadband
- Affordability is less of a barrier for mobile than for fixed broadband
- Mobile broadband contribution is higher in less developed countries than in more developed
- The lower the income level, the higher the economic impact of mobile broadband

1.5% increase in GDP



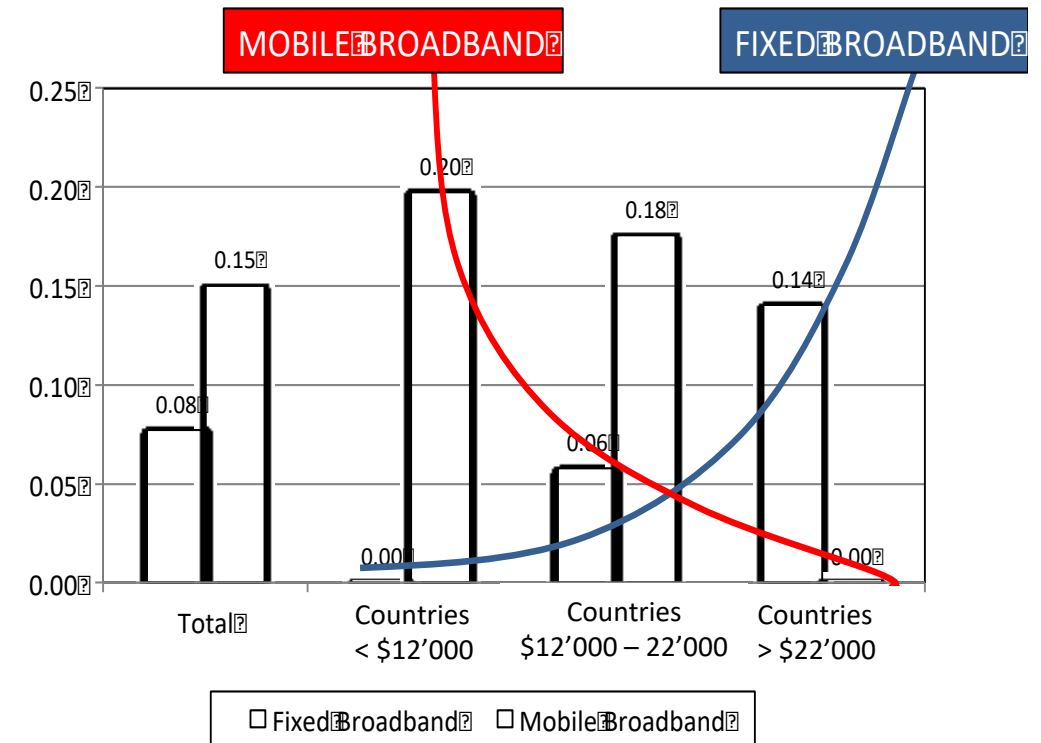
10% increase in mobile
broadband penetration



Impact of broadband

In summary, the broadband economic impact models confirm that:

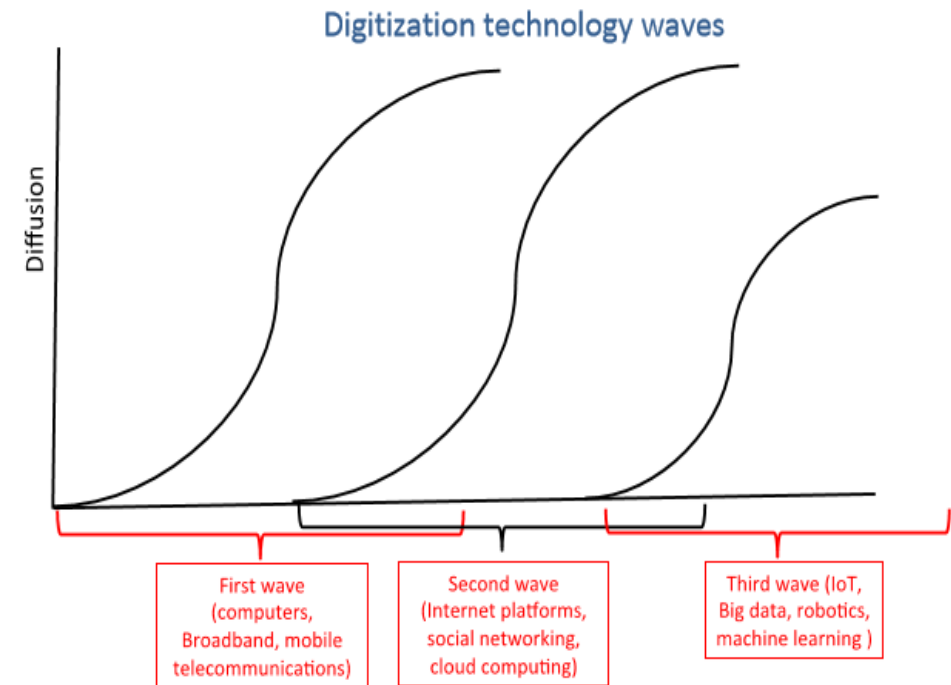
- At the aggregate level, mobile broadband appears to have a higher economic impact than fixed broadband;
- The economic impact of fixed broadband is higher in more developed countries than in less developed;
- On the opposite, the economic impact of mobile broadband is higher in less developed countries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





Impact of digitization

- The development of a digital ecosystem is correlated with economic development
- The economic impact of digitization is higher than that of broadband and fairly on par with mobile broadband
- Full economic impact of ICT is achieved through the cumulative adoption of all technologies and maximization of economic impact can only be achieved through a holistic set of policies
- The economic impact of digitization is guided by a “return to scale” effect so the economic contribution of digitization increases at higher development stages
- Digitization also has an impact on labor and total factor productivity





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 in the digital ecosystem is directly and positively influenced by the maturity of ICT regulatory frameworks and by ICT competition frameworks in particular
- ICT regulatory frameworks important for the development of infrastructure for digital services
- Digital players not influenced by the level of openness and competition of the traditional ICT sector, having a competitive advantage
- Level playing field in the digital marketplace 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.



New edition coming soon



GLOBAL ICT REGULATORY OUTLOOK 2017

itu.int/go/outlook17



ICT Regulatory Tracker 2017

#ITUdata

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Select an option

ICT Regulatory Tracker 2017

Cluster	C1: Regulatory Authority	C2: Regulatory Mandate	C3: Regulatory Regime	C4: Competition Framework	Overall Score
Max Score:	20	22	30	28	100
Country					
Afghanistan	15.00	20.00	22.00	16.67	73.67
Albania	18.00	17.00	26.00	24.00	85.00
Algeria	17.00	17.00	18.00	12.50	64.50
Andorra	6.00	8.00	8.00	3.00	25.00
Angola	17.00	20.00	18.00	10.67	65.67
Antigua & Barbuda	8.00	11.50	8.00	15.33	42.83
Argentina	18.00	20.00	24.00	28.00	90.00
Armenia	19.00	18.50	18.00	28.00	83.50
Australia	18.00	21.50	28.00	27.00	94.50
Austria	18.00	16.50	28.00	27.00	89.50
Azerbaijan	8.00	11.00	20.00	23.33	62.33
Bahamas	19.00	18.50	26.00	25.33	88.83
Bahrain	17.00	18.00	26.00	26.33	87.33

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