

ZIMBABWE CONTRIBUTION TOWARDS GSR-25 BEST PRACTISE GUIDELINES

THEME: WHAT DOES IT TAKE FOR REGULATORS TO BECOME DIGITAL ECOSYSTEM BUILDERS?

1. Fostering innovation in regulatory approaches:

1.1 How can regulators cultivate an innovation-driven culture in regulatory work and decision-making?

1. Encourage a culture of experimentation - implement pilot programs to test new regulatory approaches and technologies; establish regulatory sandboxes to allow innovators to test products and services in a controlled environment; and foster collaboration between regulators, industry stakeholders, and academia to encourage knowledge sharing and innovation.
2. Develop new skillsets and mindsets - develop digital literacy among regulators to understand emerging technologies and their implications; encourage data-driven decision-making to inform regulatory policies and decisions; and adopt a risk-based approach to regulation, focusing on high-risk areas and allowing for more flexibility in low-risk areas.
3. Foster a culture of continuous learning - provide regular training opportunities for regulators to stay up-to-date with emerging technologies and regulatory best practices; encourage knowledge sharing among regulators and industry stakeholders to promote best practices; establish feedback mechanisms to allow stakeholders to provide input on regulatory policies and decisions.
4. Emphasize flexibility and adaptability - adopt principles-based regulation, allowing for flexibility and adaptability in regulatory approaches; focus on outcome-based regulation rather than prescriptive rules, allowing for innovation and flexibility; implement agile regulatory frameworks that can adapt quickly to changing market conditions and technological advancements.

1.2 What new skillsets and mindsets do regulators need today?

1. Technical expertise in emerging technologies, such as AI, blockchain, and IoT; and technical skills, such as data analysis and coding, are useful in effectively regulating emerging technologies.
2. Data-driven decision-making requires skills in data analysis.
3. Collaboration and communication skills are necessary for engagement with industry stakeholders, academia, and other regulators to effectively communicate regulatory policies and decisions.
4. Adaptable and flexible mindset is necessary for responding to changing market conditions and technological advancements, and allowing for innovation and experimentation.

2. Adapting and Enhancing Regulatory Capacity

2.1 How should regulatory mandates, capacity and decision-making evolve to balance market innovation with digital inclusion and support the achievement of broader social and economic policy goals?

1. Regulatory mandates can be expanded to cover emerging digital business models and technologies. Collaboration between regulatory agencies address the intersection of digital and non-digital sectors.
2. Regulatory capacity can be broadened by developing digital literacy to understand emerging technologies and their implications. Data analytics should inform regulatory decisions and monitor market trends. Agile regulatory frameworks can adapt quickly to changing technological advancements.
3. Evidence-based decision-making ensure regulatory decisions are informed by data and analysis. Engagement with stakeholders ensure regulatory decisions reflect diverse perspectives. Incorporating flexibility into regulatory decision-making allows innovation and experimentation.

2.2 What institutional mechanisms can enhance regulatory responsiveness to emerging digital business models and evolving risks?

1. Establishment of regulatory sandboxes or innovation hubs allows innovators to test products and services in a controlled environment. Collaboration between regulators, industry stakeholders, and academia promotes innovation and knowledge sharing.

2. Coordination between regulators of digital and non-digital sectors facilitates information sharing and ensures a coordinated approach to emerging digital business models and risks.
3. Use of Public-Private Partnerships in leveraging expertise and resources from both sectors encourages knowledge sharing between sector stakeholders to promote regulatory effectiveness.
4. Use Regulatory Impact Assessments in conducting ex ante evaluations of regulatory proposals to assess their potential impact on innovation and digital inclusion; and in conducting ex post evaluations of regulatory decisions to assess their effectiveness and identify areas for improvement.

3. Harnessing Transformative Technologies for Regulatory Excellence

3.1 How can regulators better leverage Artificial Intelligence, big data, Internet of Things, blockchain and other digital technologies to enhance decision-making, compliance monitoring and regulatory agility?

1. Artificial Intelligence (AI) - use AI-powered predictive analytics to forecast regulatory trends and identify potential risks; implement AI-driven systems to monitor compliance with regulatory requirements; and leverage AI to analyse large datasets and identify patterns, trends, and anomalies.
2. Big Data - use big data analytics to inform regulatory decisions and policy development; analyse large datasets to identify potential risks and prioritize regulatory efforts; and use big data to monitor regulatory performance and identify areas for improvement.
3. Internet of Things (IoT) - use IoT sensors and devices to monitor regulatory compliance in real-time; leverage IoT devices to collect data on regulatory issues, such as environmental monitoring; and use IoT data to predict maintenance needs.
4. Blockchain- use blockchain technology to create transparent and tamper-proof records of regulatory decisions and actions; leverage blockchain to securely share data between regulatory agencies and stakeholders; and use blockchain to track compliance with regulatory requirements.

3.2 What technology tools and applications can regulators use to strengthen transparency, stakeholder engagement and public trust in regulatory processes?

1. Online Portals and Platforms can be used to provide access to regulatory information to stakeholders, including public consultations and feedback mechanisms.
2. Data Visualization Tools create interactive dashboards that provide insights into regulatory data thereby providing transparent and accessible information to stakeholders.
3. Social media and collaboration tools are useful when engaging with stakeholders since they promote transparency by providing information and promoting regulatory awareness.
4. Open data initiatives can be utilised to share regulatory data with stakeholders and promote transparency and accountability in regulatory processes.

4. Cross-Border Cooperation for Building National, Regional, and Global Digital Ecosystems

4.1 How can regulators leverage regional and international cooperation to foster harmonized regulatory approaches, knowledge exchange and capacity-building?

1. Harmonized regulatory approaches - adopt international standards to ensure consistency in regulatory approaches across jurisdictions; and collaborate on developing regulatory frameworks that address emerging digital issues, such as data protection, cybersecurity, and artificial intelligence.
2. Knowledge exchange - provide training programs for regulators in regulating digital ecosystems and share best practices and lessons learnt.
3. Capacity building - provide technical assistance to regulators in developing countries to enhance their capacity to regulate digital ecosystems and establish knowledge sharing platforms.
4. Institutional mechanisms - collaborate with international organizations, such as the International Telecommunication Union (ITU), and regional regulatory associations to promote harmonized regulatory approaches and knowledge sharing.