Interactive Session: Action Line C6 – Enabling Environment organized by ITU

Theme: *Sharing Collaborative Regulatory Approaches for Digital Transformation*

Time: Thursday 22 March 2018, from 11:00 to 13:00

Address: International Telecommunication Union (ITU) Headquarters – Room H1, ITU Montbrillant

WSIS Forum 2018 OUTCOME DOCUMENT

I.   Debated Issues

- ICTs are key to the advancement of the digital economy and contribute to achieving the Sustainable Development Goals (SDGs), because people need affordable access, need the digital skills to benefit from these tools, and need a trusted, safe and secure ICT environment to achieve progress across the different sectors - going from education to finance to health, agriculture, etc.

- It is important to highlight cooperation at the international, regional and national level. Sharing experiences, best practices and tools for the digital transformation cannot be underestimated.

- With the rise of the Internet, Artificial intelligence, 5G communications and cloud technologies, ICTs increasingly power and enable the global economy. Existing markets are transformed beyond recognition, others have become obsolete while new ones emerge. Hardly any area of the economy and society has remained untouched.

- Infrastructure development alone is not important anymore. It should be more closely related with the social-economic development of national economies. In this sense, regulation needs to be flexible, to allow innovative services and applications, as now it is time to move to a new era of regulation.

- It is difficult to regulate what you do not know and what you do not understand. Collaboration is not only a private, exclusive dialogue, but should be an open exchange in order to find adapted and forward-looking solutions through a holistic approach.

- It is becoming more and more relevant to foster innovative projects that contribute to disseminate communications at lower prices and which also contribute to reducing costs of services and investment costs.

- Panelists highlighted the importance of investment in ICT infrastructure to guarantee connectivity and access to all and reduce the digital divide.

- In order to be able to better address the challenges in having efficient collaboration in the digital environment, it is necessary to define how to move from one generation of regulation to the next. Policy makers and regulators need to be flexible and dynamic as markets and technologies are very dynamic. Policy makers and regulators should be able to swiftly adapt to evolving technologies and market conditions.

- Some of the important challenges in the digital economy are related to security and privacy. For markets to thrive, effective mechanisms need to exist to enhance collaboration across the sector and thus create the enabling environment to be able to quickly and effectively respond to security threats and build trust in the digital environment.
- The example of collaboration with the financial regulator for the development of digital financial inclusion in Egypt was largely discussed. Despite the advances and work done worldwide, there is need for more collaboration between the ICT sector and the financial sector – there are still issues that need to be considered and further tailored to specific national contexts, such as microfinancing, interoperability, mobile payments, competition issues, consumer protection and security.
- Panelists noted that others sectors' stakeholders often underestimate the importance of telecommunication/ICT infrastructure and technologies, as they only focus on specific services. A more collaborative and holistic approach to regulating those services can go a long way in overcoming misconceptions and recognizing the pivotal role of infrastructure.
- We are facing a host of policy and regulatory issues, from infrastructure development to market competition to data protection; however, one of the key areas to address remains the human factor.
- Last year, ITU published the first in a new series of reports, the *ITU Global ICT Regulatory Outlook*. The second edition will be launched at the forthcoming Global Symposium for Regulators (GSR) from 9 to 12 July in Geneva.
- The evolution of regulation in the digital transformation has been analyzed from a regulatory perspective in ITU's work stream on collaborative regulation, which was presented during the session.

II. **Quotes**

Christine ARIDA, National Telecom Regulatory Authority of Egypt
> *"We need to continue providing widespread and affordable access, and move to a new era of regulation"*
> *"Our investment needs are growing, and we are under growing pressure to deliver universal service, but revenues from traditional telecom products are declining"*

Aarti HOLLA-MAINI, ESOA - EMEA Satellite Operators Association
> *"You cannot regulate what you don't know or what you don't understand"*
> *"The future is going to be one of convergence and hybrid solutions that will require regulation and collaboration"*

Manuel DA COSTA CABRAL, ANACOM, the Regulatory Authority for Electronic Communications in Portugal
> *"We need to be humble enough to admit we do not know what the future will be like"*
> *"Let's think about some high-level principles that will help us face these challenges - precise measures might be difficult to define at this stage"*

Pablo BELLO, ASIET - Asociación Interamericana de Empresas de Telecomunicaciones

> ➤ *"Despite the amazing progress of the last ten years, half of the world population is still not connected"*
> ➤ *"Current regulations were made for a world that does not exist anymore. Dialogue and leadership are key to creating trust and a collaborative environment where new regulatory frameworks will be shaped"*

III. Main Outcomes of the Session

- ICT Regulators, Policy Makers and the private sector as well as the wider community recognize that regulation – and importantly collaborative regulation – play an important role in digital transformation. What's more, creating incentives for innovation and entrepreneurship must be addressed holistically at the policy and regulatory level. ICTs are key to helping achieve the SDGs.

- More synergies between the various economic sectors is needed to break across silos. Clearly defined roles and mandates are necessary, as well as the identification of overlaps – and areas for collaboration – among policy makers and regulatory authorities.

- The important role of ITU in addressing major regulatory challenges at the international and regional level was emphasized. ITU is viewed by stakeholders as a neutral platform to support countries and society to move to a new digital paradigm.

- A major challenge going forward will be balancing futuristic ambitions with the real needs of people – and bringing in digital transformation by embracing new technologies and innovation.

- Political and development portfolios need to shift focus and put forward policy and market reviews to identify the strengths and weaknesses of current policy and regulatory frameworks. We have to move from words to actions.

- Beyond the national level, collaboration between stakeholders – and importantly policy makers and regulators – from different countries, is key to ensure regional harmonization. NRAs should innovate at the national level and collaborate across borders.

- What more can we do together? It was highlighted that NRAs can lead and support multi-sector collaboration to deliver on the digital promise – integrating efforts across health, finance, education, energy and ICTs, by defining approaches for effective coordination, cooperation and accountability across the sectors, and involving government agencies, policy makers, private sector, academia and civil society.