About the Global ICT Regulatory Outlook 2020

This two-page summary sets out the essentials of the latest edition of "GIRO 20" – articulating the value and listing the headlines from a report increasingly used by the regulatory community worldwide to understand the trends, challenges and opportunities of a fast-moving and vibrant digital landscape – and the critical role regulation plays within that landscape in delivering meaningful connectivity for all.

To see the full Global ICT Regulatory Outlook 2020 report, please click here

About GIRO, its evolution and value

The Global ICT Regulatory Outlook (GIRO) series lays out a broad canvas of how regulation and digital markets are interacting – and advocates for collaborative regulatory reform in delivering meaningful connectivity and inclusive digital markets. The report is both dense, offering deep-dive detail, *and* high-level – pointing up the headline trends, challenges and opportunities for regulators as ICT broadens out to touch all civic, professional and personal aspects of our lives within the phenomenon we call the digital global economy.

GIRO is built on high-quality data provided by 193 countries worldwide. This impartial, rigorously compiled data forms the basis of ITU's 'ICT Regulatory Tracker'. The way in which the Tracker consolidates this data has been judged 'conceptually sound, statistically coherent and robust' by JRC, the European Commission's science and knowledge service. 2020 marks the third edition of the GIRO report.

If the robust data in the Tracker constitutes one major building block for GIRO, a second is the concept of *regulatory generations,* reflecting the evolution and growing sophistication of regulation as it moves from Generation 1 (G1) with a 'command and control' approach, through to Generation 5 (G5) centred around collaboration. GIRO is unique in its ability to lay out and track the full sweep of ICT regulation worldwide, from G1 to G5 over more than a decade.

In three years, GIRO has established itself as a unique and authoritative repository of analysis and evidence-based commentary for regulators and policy-makers worldwide. In that time, one feature of overarching significance has emerged that is shaping the future of global ICT markets – that of *collaborative regulation*, open in spirit, cross-sector in scope and innovative in what it can achieve. In today's dynamic, highly fluid ICT sector, only collaborative regulation will be fit-for-purpose and successful in piloting the regulatory community through the accelerating digital revolution towards broad and inclusive access.

That is why this year's report features a new tool that sits alongside the ICT Regulatory Tracker – the Benchmark of Fifth Generation Collaborative Regulation, also referred to as the 'G5 Benchmark'. This new tool is built on the features and opportunities of collaboration, offers rich and powerful perspectives, and is highly practical (see below for more on the G5 Benchmark).

Global regulation: what GIRO tells us about the state of play in 2019

Nine out of every ten countries are still regulating ICTs as a separate economic sector. But a vanguard of *16 G5 countries now has holistic, forward-looking regulatory frameworks in place* set to enable digital transformation across their economies. Europe ranks first of the regions, boasting ten of 16 global G5 champions. The six countries outside Europe now joining the G5 cadre are Brazil, Canada, Kenya, Morocco, Japan and Singapore.

More than half of world's population is concentrated in G2 and G3 countries, with potential to leapfrog to near universal digital inclusion. A quarter of countries remain in the G3 category: making progress on stronger policy and regulation but as yet unable to unlock the full potential of ICT markets. Forty per cent of countries languish in G1 or G2 categories, missing development opportunities and increasingly adrift from global digitization and economic transformation. On a positive note however, *in just one decade G4 has become the established standard for every ICT regulator* – with more than 50 countries in this category.

What's happening across the regions?

Africa is where regulatory frameworks have evolved most over the past ten years. G3 countries have increased steadily in number from five to 52 in a decade. As of 2018, only two countries remain in the G1 category. Africa's score has kept apace with the rise in world averages, and has in fact *exceeded averages* of the Arab States, Asia-Pacific and CIS. While Kenya shines in the lead group of G5 regulators, four more countries now place in the G4 category: Ghana, Malawi, Uganda, Botswana and Tanzania.

In the Americas, over a third of countries have now achieved the highest G4 and G5 generations of regulation – steady progress since 2007 when not a single country placed in the worldwide top 20 or even placed as G4. Between 2007 and 2018, the region increased its average score more than all other regions. Thirteen countries have now attained G4 status, while Brazil and Canada are excelling and place in the G5 collaborative regulation category.

The Arab States have seen slow progress in moving up the 'generation ladder', although pace will likely accelerate over the next two years with major reforms expected in States such as Kuwait and UAE. Major movement in the region has come through G2 countries progressing to the G3 category. Saudi Arabia, Oman and Bahrain now place as G4 countries, with four further countries now within striking distance of attaining G4 status. Morocco is the only Arab country to attain the G5 collaborative regulation category.

Asia-Pacific presents a very diverse range of countries in terms of regulatory maturity. Across the region, only four countries (roughly one in ten) have attained G4 status and no countries have succeeded in attaining G4 status since 2012. Singapore and Japan place in the G5 category.

The CIS region has made progress since 2007 when 11 of 12 countries were either of G1 or G2 status, and only a single country was categorized as G3. Eleven years on, three countries have progressed to G3 or G4 status. Nevertheless, regulatory frameworks are moving at a slower pace, with average annual scores since 2007 consistently *below* the world average.

Europe leads other regions by far with 28 countries placing in G4 and no fewer than ten in the G5 category. Interestingly, while annual average scores of Europe have consistently been the highest since 2007, the gap between European annual average scores and world averages has greatly narrowed from 45 per cent in 2007 to 21 per cent in 2018.

The G5 Benchmark – gold standard for collaborative regulation

The G5 Benchmark is the new gold standard tool for tracking and enabling collaboration among regulators worldwide. New in 2019, it has taken its place as a principal building block for the GIRO report and is seamlessly complementary to the ICT Regulatory Tracker. Based on 2018-2019 data from 80 economies, it helps fast-track countries along the path of collaborative, cross-sector regulation as the best and quickest means to leverage digital transformation for all. Rich in practicality, it offers metrics to assess gaps, proposes smart roadmaps through shifting regulatory landscapes, tracks progress, sets out new goals for regulatory excellence and proposes solutions where pursuit of SDGs has proved challenging. It also offers powerful perspectives on the regulatory road already travelled as well as on the pathways into the future.

The G5 Benchmark evaluates frameworks against 25 measurable indicators clustered into three tracks – collaboration, policy design principles and G5 toolbox elements. It sifts through huge volumes of data, delivering clear and concise picture of the digital regulatory landscape. This in turn enables regulators to monitor the evolution of regulation as digital markets mature, to compare countries and analyze their paths towards regulatory maturity and to construct complex models that explore the interplay between market take-up, regulation and development.

The golden rules that accelerate take-up of broadband

As in the 2018 edition, GIRO 2020 identifies those measures shown to unleash the potential of broadband markets. The evidence is clear: when these measures are 'switched on' for ICT markets, market take-up is faster and more access is delivered to more people more quickly. The report identifies six 'golden rules' to accelerate take-up of mobile broadband and seven 'golden rules' to accelerate take-up of fixed broadband. See the full report for more detail.

For a comprehensive global view on how regulatory frameworks are developing and how collaborative regulation is driving opportunities for an inclusive digital age and meaningful connectivity – as well as more detail on the topics mentioned in this summary – see the full Global ICT Regulatory Outlook 2020 report.