GSR 16
11-14 MAY 2016
Sharm el-Sheikh
EGYPT

ITU

BE Empowered!
BE Included!
Building blocks for smart societies in a connected world
11-14 May 2016,
Sharm el-Sheikh, Egypt

Chairman Report
of the 16th Global Symposium for Regulators

EXECUTIVE SUMMARY

The 16th edition of the Global Symposium for Regulators (GSR-16), held in Sharm el-Sheikh, Egypt, from 11 to 14 May 2016 attracted more than 540 participants including government ministers, heads of regulatory agencies and C-level industry executives from 64 countries. GSR-16 was organized by the International Telecommunication Union (ITU) in collaboration with the Government of Egypt under the auspices of H.E. Abdel Fatah El Sisi, President of the Arab Republic of Egypt. Chaired by H. E. Yasser ElKady, Minister of Communications and Information Technology and Chairman of the Board of Directors, National Telecommunication Regulatory Authority (NTRA), Egypt, the theme of GSR-16 was: "Be Empowered, Be Included! Building Blocks for Smart Societies in a Connected World".

Throughout the four-day overall GSR programme, participants acknowledged the key role ICTs play in creating the foundation upon which economic growth and sustainable development can thrive. Participants recognized the importance of fostering an inclusive dialogue to better respond to the challenges of smart societies and unleash the potential of the digital ecosystem. Such an inclusive dialogue means extending discussions beyond and across sectors and stakeholders, developing collaborative and cross-sectoral approaches to regulation, moving from vertical to collaborative 5th generation regulation, strengthening public-private

partnerships, educating and empowering citizens, promoting innovation and entrepreneurship, generating new business opportunities, and enabling secure, safe and inclusive access to and use of ICTs in a smart connected world.

A series of pre-events took place on 11 May 2016 including the first GSR thematic pre-conference, the Global Dialogue on Digital Financial Inclusion, organized with the support of the Bill & Melinda Gates Foundation, the Alliance for Financial Inclusion (AFI), the Government of Egypt and other partners. The pre-event day also included the Regional Regulatory Associations Meeting (RA) and the 6th Private Sector Chief Regulatory Officers Meeting (CRO). Reports for these meetings are available on their respective websites.

THURSDAY
12 MAY 2016

Opening Ceremony

The opening ceremony welcomed distinguished guests Mr Houlin Zhao, ITU Secretary-General; H.E. Yasser ElKady, Minister of Communications and Information Technology, Chairman of the Board of Directors of NTRA, Egypt, and GSR-16 Chair; Eng. Mostafa Abd El-Wahed, Acting Executive President, NTRA; Egypt; Mr Brahima Sanou, BDT Director, ITU, and Mr Ebrahim Al-Haddad, ITU Regional Director for the Arab States.

Eng. El-Wahed warmly welcomed and thanked participants for their presence in Sharm el-Sheikh, the City of Peace. He noted the importance and the impact of ICTs on the Egyptian economy and social life and acknowledged the importance of working all together to reach the Sustainable Development Goals (SDGs) adopted by the United Nations' General Assembly last year. He emphasized the need to put a proper environment in place to generate value, innovation, creativity and for the digital opportunities to materialize for all.

In addressing the audience, Mr Sanou stressed the need to come together for an inclusive dialogue across all sectors and develop innovative solutions to leverage new opportunities. "We need to define the framework for collaborative policy and regulation to benefit from the opportunities the digital economy can bring to all people around the world. We need to put a human face on ICTs".

After thanking the Government of Egypt and NTRA for their warm hospitality and for hosting this edition of GSR, Mr Zhao emphasized the potential that ICTs have to improve development outcomes in both the developing and the developed world. He added that GSR-16 is the

first major regulatory event to be held since the global community adopted the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030, and stressed the importance of ICTs in achieving these SDGs. "All three pillars of sustainable development, namely economic development, social inclusion and environmental protection, need ICTs as key catalysts, and ICTs will be absolutely crucial for achieving the SDGs.

In his opening address, H.E Yasser Elkady emphasized Egypt's long-standing commitment to ICTs as a driver of development. "In Egypt we recognize the power of ICTs in achieving economic and social sustainable development, in transforming our citizen's lives for good and in creating more connected global societies by expanding access to knowledge, financial services and healthcare, creating new business opportunities, and providing more consumer choice through smart and efficient regulations." Minister ElKady further stressed the importance of international collaboration within the ICT community to reach this ambitious goal and benefit global societies.

Leadership debate: Beyond 2020 – Challenges, Opportunities, Scenarios

The Leadership debate was moderated by Mr Brahima Sanou, ITU BDT Director, with a keynote speech delivered by Mr Kemal Huseinovic, Chief, Infrastructure, Enabling Environment and E-applications, ITU/BDT, setting the scene for discussions. Panelists included H.E. Yasser ElKady, GSR-16 Chair, Ms Kathleen Riviere-Smith, CEO, URCA, Bahamas; Dr Ibrahim Sarhan, Chairman & Managing Director, e-finance, Egypt, Mr Serge Essongue, Executive Secretary, ARCEP, Gabon; Eng. Tamer Gadalla, CEO, Telecom Egypt; Mr Kalpak Gude, Vice-President Legal and Regulatory, Oneweb. Discussions revolved around the kind of policy and regulatory frameworks needed to ensure disruptive technologies bring new opportunities for all in a sustainable manner in an era of big data, Internet of everything, machine learning, and smart digital environments while at the same time maintaining trust in ICTs.

Panelists noted that evolving technology has led to challenges and opportunities in the physical, digital, and biological world. Although this will transform society, regulators and policy

Source: http://thefutureagency,com

makers should remember that it is about people and not just machines.

Panelists also noted that "smart" societies and "smart" cities do not just imply the simple use of more technology, but rather the creation of an inclusive ICT ecosystem that benefits societies and individuals to ensure that every citizen is included – financially, socially, and educationally.

ICTs and smart societies can be leveraged so that no one is left behind and humans benefit from new and better opportunities.

Technologies, panelists said, should not just be considered disruptive but can also be considered as a tool to foster innovation and advance social and economic goals. One example which was highlighted was e- agriculture, where the Internet of Things and the use of sensors and other means are having a significant impact on crops, harvests, and prices. Connectivity today, panelists noted, is not just about connecting people, but also machines, and this is having an impact on society and on our daily lives.

People need to be able to benefit from connectivity so that ICTs can help achieve the Sustainable Development Goals. This means that in addition to infrastructure, skills and trust are important elements to achieve a truly connected world. The challenge for ICT policy makers and regulators is to foster an inclusive dialogue across the sectors – what is being called 5th generation regulation – to contribute to building a trusted, connected world where people are included and empowered so that they can use ICTS for a better life. The challenge is also to be forward looking and consider the effect of future developments such as Artificial Intelligence and the Internet of Everything on society so that trust is fostered to achieve truly connected smart societies that benefit citizens around the world.

TRACK 1 BE SMART: BUILDING BLOCKS FOR A SMART SOCIETY IN A CONNECTED WORLD

Session 1: A changing regulatory landscape: Collaborative Regulation – How to pave the road towards adoption of IoT, M2M?

Moderated by Dr Amr Badawi, Board Member, NTRA, Egypt, the session started with a presentation by Ms Sofie Maddens, ITU/BDT, of the GSR discussion paper on Building Blocks for Smart Societies in a Connected World, followed by a panel discussion with Mr Harinderpal Singh Grewal, Cluster Director (Resource & Interconnection Management), IDA, Singapore;
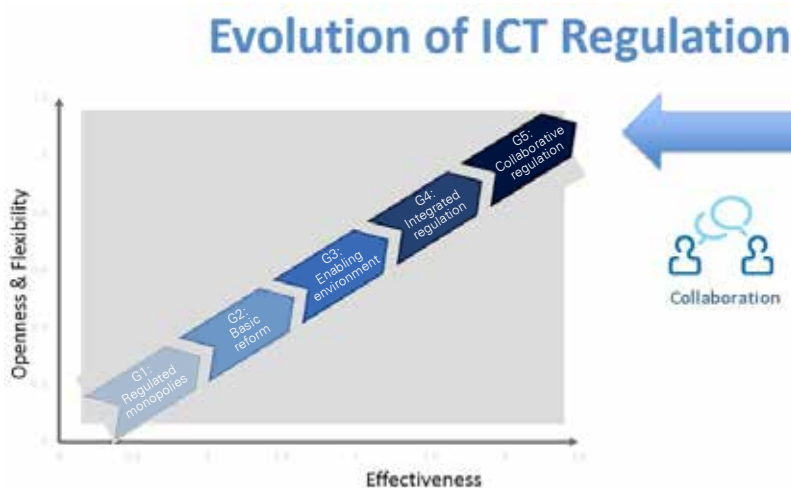
Source: ITU

Mr René Dönni Kuoni, Vice-Director, OFCOM, Switzerland; Mr Fady Fawzy, Senior ICT Advisor, Huawei Technologies Co., Ltd and Mr Giacomo Mazzone, Head of Institutional Relations, EBU.

Discussions provided that the growth of smart, connected societies has led to the recognition that there is a need for an ICT ecosystem that involves stakeholders from across the sectors and that this will help to define collaborative regulation. Today, the ecosystem includes ICT operators and service providers, as well as stakeholders from the health, broadcasting, education, financial services and other sectors as partners to connect the world and create value for individuals, businesses and communities. This has created what is called Fifth Generation Regulation, where policy makers and regulators aim to define a holistic approach to work together to leverage ICTs across the sectors and stimulate innovation and investment.

Panelists recognized that there are commonalities, differences, as well as areas of regulatory overlap, as well as duplication across the sectors. Common principles that underpin and constitute the foundation of smart societies include innovation, openness, transparency, empowerment, participation, inclusiveness, efficiency, co-creation and sharing, as well as collaboration. Common issues and barriers faced by stakeholders across the sectors include interoperability, security, data integrity and portability, privacy, reliability, transparency, trust, unequal level playing field, unfair competition (Significant Market Power), Quality of Service, and pricing. Today the need has arisen to define the regulatory tools, resources, and governance tools to get to Fifth generation regulation and develop holistic cross-sectoral legal and policy measures for an inclusive connected world. Although there are already examples of holistic approaches (digital national strategies) and smart cities, there is a need to define platforms to hold an inclusive dialogue across the sectors and achieve collaboration.

Session 2: Digital Financial Inclusion – How to include the unbanked and unconnected in today's smart society

The Digital Financial inclusion debate was moderated by Mr Jean-Louis Beh Mengue, Director-General, ART, Cameroon with panelists H.E. Mr Al-Ansari Almashakbeh, Vice-Chairman and Board Member, TRC, Jordan; Mr Hemant Baijal, Vice-President, Mastercard; Dr Safa Nassereldin, Chairperson, FTTH Council MENA; Mr Thierry Millet, Senior Vice President for Orange Money, Mobile Payments and Contactless; Mr Ahmed A. Faragallah, Head of Payment Systems Department, Central Bank of Egypt; and Mr Jawad Abbassi, Head of MENA, GSMA.

The session addressed innovative ways to enable the unbanked and financially excluded populations to take part in the digital economy. The debate also emphasized the importance of effective collaboration between the relevant stakeholders at the industry, market and regulatory levels in order to foster a transparent enabling environment and overcome the existing obstacles to digital financial inclusion.

The experiences shared by Jordan and Egypt on innovative collaborative approaches between telecom and financial stakeholders highlighted the importance of taking into consideration country specific circumstances and needs. The discussion further stressed the role financial agents can play and how digital financial inclusion means access to more services than just payment to include for example deposits, loans and insurance services. Panelists acknowledged that a collaborative regulatory approach is required in order to reach interoperability of platforms, ensure security, reliability and trust between parties. Finally, panelists noted that governments have a role to play in launching initiatives to raise awareness on the benefits of these technologies, to encourage public-private partnerships, facilitate infrastructure development and extend use of digital financial services. The financially excluded should be made aware of the positive impact these new services and technologies may have on their day-to-day life.

FRIDAY
13 MAY 2016

Session 3: Future Technology Developments: Opportunities, challenges and business strategies

Moderated by Mr Jacques Stern, Board Member, ARCEP, France, panelists included Ms Katheryn Martin, Director, Access Partnership and GSR Discussion Paper author, Col. Dr Natee Sukonrat, Vice-Chairman, NBTC, Thailand; Mr Ahmed Osama, Vice-President & Chief Commercial Officer, Telecom Egypt Board Member & MD, TE Data; Mr Patrick Masambu, Deputy Director-General and Director Technical Affairs, ITSO, Mr Peter Pitsch, Global Executive Director, Intel Corporation, and Mr Shiv Bakhshi, Vice-President, Industry Relations, Ericsson.

Panelists agreed that technological advance is an important lever of long-term growth across the economy. The various stakeholders in the emerging digital economy are seeking to innovate to offer better services and grow larger market shares. Drones, 5G, satellites and the Internet of Things are a few examples of technologies we may be taking for granted in only a couple of years. The development of those technologies will require greater bandwidth while network access will depend on new digital tools. Today, different countries are at different points of technology adoption and have different institutional frameworks to manage policy. Therefore, they have different demands on spectrum and regulators and policy makers are faced with this challenge. They have to balance the needs of the State vs the needs of civil society, and within that framework they must also address the needs of telecom providers, old and new, as well as broadcasters and satellite operators. Panelists saw a range of new regulatory issues coming up. Interoperability of networks, trust in services and protection of consumers are old challenges but have been taken to the next level.

The pace of innovation puts pressure on existing regulatory regimes and calls for more flexibility, which in turn, allows for innovation and even risk-taking by investors. Technology generally advances faster than regulation, and in this context, regulators could consider

regulatory forbearance where appropriate and let technology take shape before setting directives. More generally, panelists noted, light-touch regulation can be considered as markets respond to developments. Panelists also noted that in

regulation, human development needs are taken into consideration and given priority. A more collaborative approach to regulation is equally key to its success and long-term impact.

Session 4: Be empowered! What ICTs can do for you!

Moderated by Dr Dražen Lučić, President of Council, HAKOM, Croatia, the panel started with a brief reporting on the findings of the GSR discussion paper on Market Power, Regulation and the App economy by Mr Scott Minehane, Windsor Place Consulting and author of the GSR discussion paper. Panelists included Mr German Arias, CRC, Colombia; Mr Charles Millogo, ARCEP, Burkina Faso; Mr Theo Cosmora, Socialeco; and Mr Raul Echeberria, Internet Society.

The panel debated on the impact of the app economy on stimulating access and promoting market competition, and the need to have new rules and processes to manage the disruption of new digital apps in the ICT sector, as well as in other sectors of the economy such as finance, transport and accommodation. This disruption will impact not only the economy but also our daily lives. With the rapid proliferation and adoption of connected digital technologies and apps, the landscape of telecommunication/ICT is changing fast. This new industry segment is itself a potentially important source of economic and social development, as it creates new businesses, new jobs, and new opportunities to empower citizens and business. But, as stressed,

apps also depend on the underlying telecom/ICT networks, "digital infrastructure needs content but content needs digital infrastructure". Panelists also noted that what is considered disruptive in the app economy today will be the norm tomorrow, meaning that regulators and policy makers need to refrain from over-regulating new collaborative business models and focus on ensuring consumer protection, privacy, cybersecurity and quality of service.

Day two featured an information session on ITU's "Let's Roam the World" Initiative launched by Mr Brahima Sanou, ITU BDT Director, on International Mobile Roaming (IMR). One of the objectives of this initiative, as presented by Ms Carmen Prado-Wagner, Senior Programme Officer, ITU BDT, is to work with regional regulatory associations and other relevant partners to organize IMR Roundtables to exchange knowledge and experiences, define IMR building blocks and ultimately adopt, at the highest level, strategic best practice guidelines.

Session 5: Be included!

The debate on "Be Included!" was moderated by Mr Abdoulkarim Soumailia, Secretary-General, ATU, panelists included Mr Ram Sewak Sharma, Chairman, TRAI, India; Ms Katharina Pillay, Councillor, ICASA, South Africa; Ms Aminata Garba, Director, AFRINIC; Mr Khaled Hegazy, Director External Affairs, Vodafone Egypt; Ms Rwan Nabil Ammar, Engineering Student, Cairo University.

Panelists shared their experiences and views on innovation and ways to facilitate entrepreneurship in a digital economy. It was noted that defining digital empowerment means that consumers have the power and the choices to make decisions. To enable inclusion, barriers should be removed and policies put in place to develop and improve the digital skills of individuals (including women, young and persons with disabilities) and communities enabling people to develop content and applications, to innovate and create new digital business opportunities. This dynamic entrepreneurship, based on the development of digital applications and content, they said, will generate traffic growth and require more investment in infrastructure resulting in an increase of the GDP of the country. It was further stressed that women should move beyond being only users of ICTs, to create and contribute as entrepreneurs to the ICT ecosystem. Traditional training or school programmes should adapt to foster innovation and facilitate entrepreneurship in the digital collaborative economy.

Session 6: Real life impact of Smart Societies – How to maintain trust?

The debate moderated Mr Syed Ismail Shah, Chairman, PTA, Pakistan saw panelists Prof. Douwe Korff, Emeritus Professor of International Law, London Metropolitan University and author of the GSR discussion paper on maintaining trust in a connected society; Mr Kijoo Lee, Commissioner, KCC, Rep. of Korea; Dr Sherif Hashem, Vice-President Cybersecurity, NTRA, Egypt; and Mr Ahmed Mosharafa, Student, Nile University, share their views on privacy, trust and cybersecurity and explain how these impact trust building. The panel stressed the importance of keeping a balance between the protection and use of personal data in a digital environment. There are currently no laws that are universal in their application and in the protection of personal data in today's global digital environment but some rules are emerging. Regulators will have an important role to play in understanding, educating, enforcing and collaborating with others to ensure these emerging rules come to play and strengthen trust in the digital world.

There is a need to balance privacy, data protection, security and other needs of society and to define these concepts, panellists said. In a smart society, it is important to minimize the collection of personal data to protect consumers. The guidelines for big data and personal data protection adopted in the Republic of Korea to promote the big data industry and prevent misuse of personal information were mentioned as an initiative taken to maintain privacy and trust. It was emphasized that protecting privacy is part of building trust, as well as transparency. Involving users and educating them further helps building trust.

A cyberdrill was conducted by Prof. Dr Marko Gercke, Director, Cybercrime Research, illustrating what needs to be done at the governmental level when there is a cyberattack. The exercise showed the importance of planning in advance, analysing vulnerabilities by conducting a risk assessment and building capacity for governments and market players to be prepared and ready to come up with solutions when a cyberattack occurs.

GSR16 Best practice guidelines: Discussion and adoption

Dr ElSayed Azouz, Board Member, NTRA, Egypt presented the draft GSR-16 best practice guidelines on behalf of H.E. Yasser ElKady, GSR16 Chair, who coordinated the consultation and drafting of these guidelines on collaborative regulation for digital financial inclusion. In his presentation, Dr Azouz emphasized that these regulatory guidelines will facilitate access to and the development of digital financial services for all by unleashing the potential of two-sided market, coining new regulatory approaches and addressing overlaps between different sectors. The guidelines presented and adopted, he noted, reflect the consensual spirit of GSR.

Meet the Regulators – Exchange platform between regulators

Moderated by Mr Manuel Emilio Ruiz Gutiérrez, President of the Board, SUTEL, Costa Rica, the exchange started with a keynote by Mr Gary Schwartz on *the Future of Regulation in an Era of IoT* followed by a keynote from Mr Marko Gercke on *Regulators Role in a Cyber World*. Panelists included Mr Giacomo Mazzone, Head of Institutional Relations, EBU, Dr ElSayed Azouz, Board Member, NTRA, Egypt, and Mr Giovanni M. King, Chief Operating Officer, Directorate General for Energy, Telecommunications and Competition, Curacao.

Mr Gercke started by sharing fascinating examples of how artificial intelligence (AI) is becoming more intuitive and how it is already used by some industries without people noticing it. AI will be a game changer in the future he said. While some may be concerned that machines may take over, and replace humans, he believes that there is a parallel track and that AI will support humans where we are limited. While there is a need for regulation to be adjusted to new technologies and to regulate cybersecurity, heavy regulation may not be the path to follow. Discussing who should be in charge, he identified two institutional trends, one is to expand the mandate of the telecom/ICT regulator to include cybersecurity, the other being to create new institutional capacities to address the complexities of cybersecurity and cybercrime.

Adding to the discussion, Mr Schwartz explained that to understand why some technologies and services succeed, such as smartphones, social media and apps such as Uber and Snapchat, the answer is to be found in the fact that these put the human (H) in the middle, they understand, touch and serve the human, the H. For the Internet of Things (IoT), he added, it is about putting the H in the end, adding the human in the machine-to-machine equation (M2M). He stressed that the goal of regulators, as of industry people, is to understand humans in order to service them better. "The future of IoT is about making this human more effective, invincible. As we build all these wonderful applications which service the human in the middle, we have to realize that we have to design for the human in the middle."
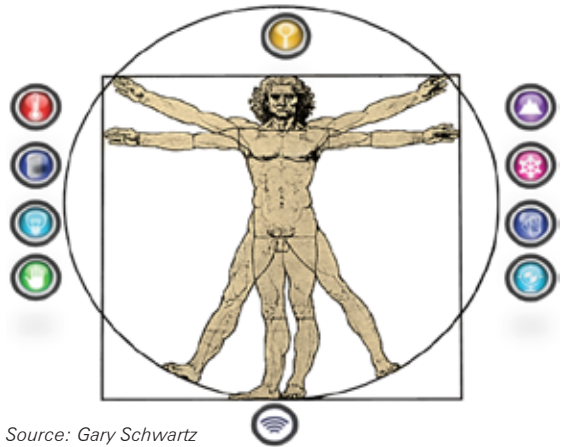
Source: Gary Schwartz

The moderator noted that from a regulatory perspective, there are different models of governance. Given convergence, technology evolution and new business challenges, as well as the environment regulators and policy makers face is dynamic and regulators need to keep abreast, be pro-active, adapt, prepare for the future and collaborate with others. Panelists added that collaboration should also enhance a common understanding of the problems that we are trying to address, and should have the purpose of enabling others to participate or to be included in the new digital ecosystem. Examples from the energy sector or media and broadcasting can be interesting for telecommunication/ICT regulation and vice-versa, particularly in a world where ICTs are so intertwined with other sectors. Cooperation and collaboration is key – across the sectors as well as within countries, between countries and between regions.

INDUSTRY TRACK

Industry leaders debate – Impact of open innovation and new business models on Collaborative regulation

Moderated by Mr Shiv Bakshi, Vice-President Industry Relations, Ericsson, the first GSR Industry Leaders' Debate was opened by the Mr Sanou, ITU BDT Director who emphasized the importance of private sector's engagement in the work of ITU-D. The panelists included Mr Carlos Cornejo, Senior Vice-President, MasterCard; Mr Yves Gauthier, Chief Executive Officer, Orange-Mobinil, Egypt; and Mr Zarrar Khan, Chief Technology Officer, VIVA Kuwait.

The Impact of Open Innovation and New Business Models on Collaborative Regulation was the focus of discussions. It was recognized that mobile broadband is an enabler to other sectors by which broadband creates a critical horizontal infrastructure on which the super structure of the society is built. At the same time, there are many challenges the industry faces, panelists said, notably in business decision-making processes relating to technology, innovation and investment decisions.

Throughout the debate, participants acknowledged that more efforts need to be considered by regulators and policy makers to foster new opportunities and encourage greater innovation in the ICT sector. Panelists further shared their views on the reasons why OTT providers are seen to be more innovative than long term established multi-national companies. Digital financial services were highlighted as an example of collaborative regulation. Participants also highlighted the role of regulators in promoting an enabling environment and the importance of working together to create a fair and equitable society.

Industry leaders debate – Regulatory KPIs

Moderated by Mr Jose Toscano, Director-General and Chief Executive Officer, ITSO, the debate on regulatory KPIs in a 1st to 4th generation regulation context started with a presentation by Mr Kemal Huseinovic, ITU BDT Chief of IEE Department, on ITU's ICT Regulatory Tracker, a tool to monitor and measure the changes taking place in the telecommunication/ICT regulatory environment and to facilitate both the benchmarking and identification of evolutionary trends in legal and regulatory frameworks.

Panelists included Mr. Bocar Ba, CEO, SAMENA Telecommunications Council and CRO Chair, Mr. Yury Grin, Deputy Director General, Intervale, Russian Federation, Mr. Tariq Albahri, VP Regulatory and External affairs, Emirates Integrated Telecommunications Company PJSC (Du), UAE, and Mr Graeme Bowker, Vice President, Government Services, N-SOFT.

Opportunities arise from an environment that fosters investment and innovation. Panelists noted that this type of environment should be based on a dialogue between stakeholders and regulators as well as on transparency in decision-making. Interconnection was identified as a way to overcome the challenges of a digital world along with a clear understanding of the differences between the regulatory policies and ICT sector goals.

In addition, panelists emphasized the importance of quantifying previous experiences and learning from them. They further noted that while regulators and policy makers should have the right enforcement powers to respond to the challenges associated with a dynamic digital world, attention should be given to the adverse effects of inconsistent regulation on business incentives and how good policy is extremely important to create an enabling environment that can promote innovation.

Way forward and Closing

Celebrating the successes of GSR-16, the closing session was presided over by ITU BDT Director, Mr Sanou. Dr Badawi, Board Member, NTRA, Egypt, stressed that digital financial inclusion can be a powerful driver towards achieving the Sustainable Development Goals as he reported on the GSR-16 best practice guidelines adopted by the regulatory community in the morning. He further encouraged participants to cooperate and work together for a better world as he reported next on the collaborative guiding measures adopted by participants in the Global Dialogue on Digital Financial Inclusion (GDDFI), held on 11th May. He reminded the audience that both consultations were coordinated by GSR-16 Chair, H.E. Yasser ElKady.

Mr Arias, Executive Director, CRC, Colombia and President of REGULATEL presented the outcomes of the Regulatory Associations (RA) Meeting, held on 11 May, on behalf of Mr Besbes, EMERG Chair. The meeting was attended by 12 associations who reported on

their current activities and engaged in discussions on international mobile roaming, following a presentation made by ITU on BDT Director's initiative, "Let Roam the World".

Mr Ba, CEO Samena Telecommunication Council and Chair of the Private sector Chief Regulatory Officers' (CRO) Meeting, shared the

conclusions of the 6th CRO meeting reporting that CRO is expanding, representing all stakeholders in the industry, and reflecting the inclusiveness of the private sector. He stressed that participants were ready to engage with regulators and that regulators as well had shown their willingness to work with the private sector. He invited more regulators to join hands in order to foster this cooperation.

Turning to the next edition of GSR and proposals for topics to be examined, education was proposed as one possible theme. Mr Sanou, ITU BDT Director, indicated that the consultation on themes will be open until the end of June 2016 and announced that the Bahamas will host the next edition.

Ms Riviere-Smith, Chief Executive Officer, URCA Bahamas, invited all participants to the Bahamas, from 11 to 14 July 2017 for GSR-17. Mr Sanou, ITU BDT Director, thanked the Bahamas Government for taking the GSR to the Caribbean in 2017, and further indicated that the 2018 edition will hopefully take place in Geneva, in June/July 2018.

In his concluding remarks, Eng. El-Wahed extended his thanks to the ITU for organizing GSR in Egypt. He thanked participants for the high quality of the debate and for contributing to the success of this event. He added that "We are only starting out in terms of developing the kind of regulation that would make it possible for all stakeholders to overcome obstacles and enable us to fully benefit from the new digital opportunities."

Mr Sanou expressed his gratitude to the Government of Egypt for hosting the symposium. He thanked Minister Yasser ElKady, for his commitment and dedication to GSR-16 and nominated him as the Ambassador of the GSR-16 best practice guidelines for the year to come. He thanked as well NTRA for the hard work and dedication of the team and the warm welcome received. In closing the event, Mr Sanou stated that "we started the discussion on collaborative regulation here, in Sharm el-Sheikh, as a landmark. The discussion, of course, will continue and we are going to use this collaborative regulation to reach those unconnected people, people with disabilities, people living on less than USD 1 per day to include them in our society."

GSR16 BEST PRACTICE GUIDELINES ON COLLABORATIVE REGULATION FOR DIGITAL FINANCIAL INCLUSION

Regulating the ever-changing ICT sector requires skills, foresight and innovation. Developing and using best practices is the best way to fast-track our efforts to adapt to change and embrace new technologies to foster development and business.

As the digital economy unfolds, digital financial inclusion is likely to prove one of the most transformative applications it brings about. Banking the unbanked, like connecting the unconnected, is a major milestone towards universal growth and prosperity. At the nexus of technology and finance, digital financial inclusion can be a powerful drive towards achieving the Sustainable Development Goals.

The digital marketplace is constantly evolving and calls for new regulatory regimes. The fifth generation of ICT regulation is coming out of age, unleashing the potential of collaboration to set an enabling environment for innovation and investment. Collaboration among all the various government agencies involved in overseeing the digital economy is essential to ensure that regulatory frameworks are consistent, predictable, fair and effective. Collaborative regulation can and will lead digital financial inclusion onwards and upwards, boosting entrepreneurship and e-trade while enabling e-government services and sustainable living styles.

We, the regulators participating in the 2016 Global Symposium for Regulators, recognize that there is no single, comprehensive blueprint for best practice, but agree that country experiences can be enlightening and guide us towards regulatory excellence. In the increasingly complex and dynamic ICT ecosystem, it is important to agree on common principles and put forward clear and simple rules.

We have, therefore, identified and endorsed these regulatory best practice guidelines to facilitate access to and the development of digital financial services for everyone.

Unleashing the potential of two-sided markets

We recognize that the introduction of m-payments creates a significant opportunity to spread useful and responsible services for the unbanked or underbanked people. Innovative two-sided platforms enable digital financial services such as mobile banking, mobile money micro finance, mobile commerce and international remittance services. While regulation is not a goal in itself, various regulatory measures can be considered to leverage the potential of such platforms for digital financial inclusion.

Holistic and balanced privacy and data protection legal frameworks need to be enacted, in accordance with internationally-agreed core principles. In order to enhance trust in new financial digital services, it is equally important to broaden the enforcement powers of the ICT regulator and strengthen sanctions in the case of fault, fraud or abuse.

Clear and straightforward rules and procedures for consumer protection of users of digital financial services should be implemented, in particular for terms and conditions of online contracts, the use of personal data by service providers, tariffs for services and quality of service. Transparent, fast and effective mechanisms for handling consumer complaints should be made available and enforced.

Interoperability among operators and service providers is essential for reaping the benefits of digital financial services. Regulatory measures geared towards interconnection, USSD access and tariff issues related to digital finance could enable interoperable services at the national level and globally.

Regulatory measures for reducing the cost of digital transactions and mobile payments can be put in place.

In view of weighing the impact of current regulations and revising them accordingly, we consider that ongoing monitoring and periodic assessment of the state of digital financial services are needed. Likewise, the views and experiences of all stakeholders should be taken into account and assessed. Adequate revision of regulatory policies should then be carried out.

Coining new regulatory approaches

We believe that adopting suitable regulatory framework and policies related to digital financial services will encourage services providers to reach out to the unserved and underserved.

New regulations for digital financial services should be based on a functional approach. The regulatory agencies involved in the various aspects of such services need to reassess their regulatory objectives and examine how they can best be achieved, regardless of technology or legacy market structures.

Furthermore, regulations shouldn't allow different regulatory treatment or a two-track regulatory approach for incumbents and new players, both from the ICT and the finance sector.

A lighter licensing regime may be generally appropriate to allow digital financial services to thrive. Innovative licensing schemes for market entry, including provisional and temporary licences, can be envisaged.

We reiterate that all regulators should consider transposing international best practices and guidelines for digital financial inclusion at the national level.

Addressing overlaps between sectors

We believe that the various regulators need to collaborate to tackle issues related to digital financial inclusion, from their inception to adoption to ensuring consumer redress. The ICT regulator and the authorities regulating financial services as well as the dedicated competition and consumer protection authorities should know and fulfill their respective powers and responsibilities. Where their mandates overlap, specific mechanisms could be considered to ensure the interplay (such as memoranda of understanding or less formal agreements). Good governance principles and practical solutions should be leveraged for a truly collaborative approach to regulation.

A sound national framework for collaborative regulation goes a long way towards creating working synergies and effectively enabling new services. Such a framework could include:

Harmonization of the Telecommunications/ICT Act with the relevant financial legislation and regulatory policies as well as with those in critical cross-cutting areas such as consumer protection, cybersecurity, privacy and data protection.

Ongoing dialogue and regulatory cooperation regarding competition between financial and telecom service providers as well as over-the-top players.

Periodic open consultations and meetings with stakeholders, public and private, to monitor policy implementation.

A harmonization of legal and regulatory requirements for digital financial services at the regional or sub-regional level can have a multiplier effect on innovation and investment in national markets. The issue needs to be brought to the agenda of Regulatory Associations and Regional Economic Communities in view of facilitating the spread and benefits of digital financial inclusion in developing regions.

www.itu.int/GSR16