

# COLLABORATIVE REGULATIONS FOR DIGITAL PAKISTAN

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IT and Telecom sector is the backbone for digital economy. Fostering this economy requires extended collaboration across the sector: a fundamental shift in the way regulation is executed and the stakeholders that it brings together - from cross-sector regulators to market players. Pakistan Telecommunication Authority (PTA), being a progressive regulator of telecom sector, is endeavouring to facilitate digital transformation in Pakistan through such collaboration, consultation and conciliation. PTA continuously evolve its regulatory practices and frameworks through holistic approaches and consultative processes involving all the relevant stakeholders. The International Telecommunication Union (ITU) has also appreciated PTA's regulatory practices by ranking PTA as 4th Generation Regulator (G4), thus placing Pakistan among the top five regulators in the Asia-Pacific region and the only G4 regulator in South Asia.

ITU's recognition of PTA as G4 Regulator is a testimony to the rapid evolution of ICT regulations in Pakistan and a move towards collaborative regulations. PTA is working with different sectoral regulators and ministries because new innovations have a larger spread across different sectors like banking, education, commerce, health, agriculture etc. In this regard, PTA had an active collaboration with the financial regulator "the State Bank of Pakistan (SBP)" to promote proliferation of Digital Financial Services (DFS) across the country. Towards this end, both the regulators have signed MoU and issued joint regulatory framework for the technical implementation and interoperability of mobile banking services. The financial and telecom regulators have also actively worked on the implementation of National Financial Inclusion Strategy as well as fostering of digital payments in the country. The widespread availability of biometrically verified SIMs has greatly helped in the fast uptake of DFS in far flung areas of the country. PTA also developed CNIC-mobile pairing verification mechanism through the collaboration of Pakistan Mobile Portability Database (PMD), mobile operators & banks to enable remote/digital on boarding of customers, helping banks to fulfill their KYC requirements.

PTA also bagged the distinction of implementing the world's first open-source, full-fledged Device Identification, Registration and Blocking System (DIRBS) in collaboration with Federal Board of Revenue (FBR), and the same has internationally been recognized by ITU as a flagship project. DIRBS has had a positive impact on the economy in terms of an exponential increase of 125% in the commercial import of mobile devices since 2018. Furthermore, successful implementation of DIRBS has also facilitated exploration of the opportunity for local manufacturing of mobile handsets. The provision of a level playing field has resulted in the authorization of more than 26 local assembly plants and production of over 42.7 million local mobile handsets till June 2021. Through collaborative regulations, PTA is also facilitating the regulatory framework for local manufacturing in coordination with the Ministry of Industries and Production.

Opting a modern regulatory sand-box approach, PTA has already provided 5G tests/trials framework and authorization for 5G tests in Pakistan, allowing operators to conduct limited trials on non-commercial basis so that the operators can experiment with new technologies in environments that foster innovation. Going forward, commercial launch of 5G Technologies in the country demands even higher level of cross-sectoral engagements to develop the required eco-system and use cases for the deployment of such cutting edge technologies in the country.

PTA believes in integrated regulations aligned with economic and social policy goals that culminate into globally recognized growth trends. Receptive to changing global trends, PTA now focuses on a collaborative approach governed by principle-based inclusive regulation and decision-making. In future, PTA will continue to strive for ITU's G5 regulator status by focusing on collaborative and cross-sector regulations that leverage digital transformation for the benefit of the people of Pakistan with a guiding vision of "Digital Pakistan".