

## Policy Considerations for Open RAN in the Philippines As presented by Dr. Emmanuel Lallana @ IdeaCorps March 2023

IdeaCorps was commissioned by <u>USAID's Better Access and Connectivity</u> (BEACON) activity, a five-year USD\$33.3 million project promoting economic growth by improving the country's secure and transparent access to information and communications technology (ICT) infrastructure, to conduct a study on the feasibility for digital transformation of the Philippine public service sector for inclusive development and provide recommendations. The study argues for the need to adopt a whole of government approach to the public sector's digital transformation to meet development needs in an increasingly digital world. Dr. Lallana presented the findings and shared his insights on how Open RAN plays a role at a recent KnowS PuLse Webinar hosted by the Academy. This article summarizes their findings and highlights how the Academy can support the e-governance transformation in the Philippines.

There has been a steady decline in Philippine ICT competitiveness on a global scale. The government needs to ensure the digital divide is not widened and instead make moves to support wider digital availability and engagement for more Filipinos to enjoy and benefit from the new digital age. Internet speed in the Philippines remains dismal when compared to other countries in the region and the country suffers from high internet costs and few providers. Open RAN provides the opportunity to lower costs and increase access through vendor diversification and interoperability across hardware and software. Greater and improved access to better quality internet will allow citizens and the government to achieve their digital transformative goals.

Open RAN encourages interoperable interfaces among various RAN components allowing a range of vendors to provide components for different network parts, reducing vendor lock in which also has national security implications. Open RAN will help telecommunication providers tackle market challenges such as lack of supplier diversity, specific vendor reliance, and the black-box nature of RAN hardware. While free markets are important for continued innovation and advancement, the government needs to provide an enabling regulatory environment. This is critical to the success of any digital transformation for inclusive development. USAID's digital government model focuses on four primary foundational elements in successfully transitioning to digital governance: change management; human capacity; legislation, policy, and regulation; and digital infrastructure and adoption. This is where the Asia Open RAN Academy comes into play, by working with academic institutions to graduate more job-ready students contributing to workforce development to the benefit of the telecom ecosystem.

Digital transformation (DX) refers to the process and strategy of using digital technologies to drastically change how an organization operates, serves its customers/constituents, and creates new value for them. The promise of DX in the public sector is a government that can deliver not

only long-term savings and huge effectiveness gains, but also innovate better policies and services. The report provided recommendations on:

- 1) Digital Government: A study of e-government practices in local governments revealed weaknesses in technological infrastructure, ICT skills and expertise, data availability, and financial resources which hinder e-government implementation at the subnational level.
- 2) Digital Public Health: COVID-19 exacerbated long standing inequality in the public health system in the country, while also highlighting the benefits, risks, and limitations of digital technologies for healthcare.
- 3) Digital Flexible Education: Technology-powered flexible education increases opportunities and options available to learners and gives them greater control over their learning through a variety of learning modes and interactions. Flexible education has two components: 1) flexible learning, and 2) flexible learning pathways.
- 4) Digital Competence: This relates to technical skills to use digital technologies, particularly in a meaningful way to work and study. It is increasingly important for a countries' populace to be digitally/technology savvy. As they say now: "Everyone knows what a QR code is."
- 5) an Enabling Environment: An enabling environment is critical to the success of the digital transformation of the public sector for inclusive development and vital for the development of the country's ICT sector and the successful pursuit of national digital development. The study referenced utilized a 'three-layered approach' for access, application, and trust.

These recommendations were chosen because of fragments highlighted due to the COVID-19 pandemic. COVID made people realize the importance of digital technologies, but how can the government catalyze innovation? The study highlighted an important premise in formulating the DX agenda is that the private sector should partner with the public sector. The government should have a lead role as an ICT consumer – procuring and working with the private sector and other non-state actors in providing the necessary digital tools, services, and applications. When looking at the Philippine experience with e-governance and aligning it with the requirements in transitioning towards digital governance there are two areas which need strengthening to lay the foundation: improved data driven governance on the supply side and strengthened participatory governance on the demand side.

Governments are the largest data collectors by far. However, data is often used once and filed away, instead of being used or processed to determine patterns to gain insight into citizens needs and public service requirements. For example, public health is a major area needing data management support. Increased digitization in the health sector can reduce errors, improve efficiencies, and at the end of the day support a healthier society. Currently gains made in terms of providing e-learning opportunities are at risk of falling behind. There isn't the ability to offer distance learning or on-line learning, particularly in higher education, at mass scale. The

government needs to ensure gains made are only not wasted but also better used and managed to move forward to increasing flexible learning pathways. This ties into digital competence, in the same way there are basic national standards for reading, writing, and arithmetic there should also be national standards for basic digital competency. At the end of the day, while governments are keen to transition to e-governance in hopes to better engage their populations, such moves are pointless if their populace are not digitally savvy but also lack access to affordable and accessible internet and internet services.

The promise of DX is a government that can not only deliver long-term savings and effectiveness gains, but also innovate better public policies and services. Now is the time to re-boot egovernance across the Philippines and Open RAN can play a key role in making that happen.

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