REGULATION IN TIMES OF PANDEMIC

8 July 2020

Virtual IIC seminar – jointly organized with the Asian Development Bank

The latest in the IIC series of *Regulation in Times of Pandemic* virtual seminars explored the impact of COVID-19 in Asia, following the meetings from Latin America and Europe.

While not everybody may call it a 'lockdown', every country touched by the COVID-19 pandemic experienced an extended period where activities like schooling and working could only be carried out online. Even in this relatively well-connected region of the world, moderators Dr **Peter Lovelock** (Director and co-Founder of the Technology Research Project Corporate (TRPC)) and **Thomas Abell** (Advisor, SDCC and Chief of Digital Technology for Development, ADB) remarked, the spotlight is once again on connectivity and network capacity.

Ms Chia Aileen (Deputy Chief Executive and Director-General (Telecoms and Post) IMDA, Singapore) explained that Singapore invested heavily in the potential of digital technologies and the pandemic has shown just how critical these investments are. The first step was to work with telcos to ensure additional capacity was available on the country's fibre broadband and 4G networks, and the second was to address demand issues: helping vulnerable users cope with the new online reality. Poor and older households were supported with special schemes and packages, and SMEs (street vendors in particular) were taught how to conduct business digitally and without cash, also with the help of thousands of recruited ambassadors. The pandemic reinforced the pledge to continue investing for the future: seeing "*how digitalization helped Singapore in the past inspired us to continue investing in the 5G demand ecosystem*". After identifying key industrial sectors, the country earmarked $40M for projects that look at how 5G can be incorporated in their businesses and make them work better. Singapore expects to have two national 5G networks (using 3.5Ghz) and several local networks (using millimetre wave) in the coming years.

Mohd Ali Hanafiah Mohd Yunus (Chief Corporate Officer from the Malaysian Communications and Multimedia Commission (MCMC)) stepped in for Chairman Dr. Fadhlullah Suhaimi Abdul Malek to illustrate Malaysia's response to the crisis. Broadcasting and SMS were the media of choice for Covid-related communications in Malaysia, while big data, AI and apps were harnessed to monitor and contain the spread of the virus. Two apps were developed and thousands of AI terminal scanners were supplied to key locations like hospitals and schools, using location data for geo-fencing and spotting local flares. The apps include a dedicated tab to counter misinformation related to COVID-19. A platform was developed as a repository of information on the national crisis, which also feeds into a global Covid 19 dashboard showing the crisis' progress in all countries.

For the Commission, the new normal has to be digital, and a raft of measures were implemented to drive digitalization forward. The MCMC commissioned free Wi-Fi to all 40 quarantine centres and to priority locations like hospitals. One giga of free data was offered daily for productivity-related services like e-classrooms, team meetings etc. Their approach is three-pronged:

1. stimulating the economy through venture capital funds, innovation sandbox for new technical solutions, accelerating the provision of digital public services and offering incentives for cashless services
2. boosting businesses, by on-boarding SMEs with grants and loans for training and for the adoption of digital services

3. empowering people though support for employers who offer flexible work, and through social protection schemes and skilling for workers of the gig economy.

Dr Ir. Ismail (Director General of Spectrum Management and Standardisation of Post and ICT, Ministry of Communication and Information Technology (MCIT) of the Republic of Indonesia) remarked that the pandemic shock-changed lives and business sectors, but every transformation is indeed an opportunity. Indonesia wants to use this opportunity to change business processes and capture any potential efficiency, mark-up or new services through digitalisation. A key step is the completion of the telecommunications infrastructure, and rural areas are going to see increased financing and investments, leapfrogging to the latest technologies. A second goal is to maximize the use of data for public policymakers and for SMEs. Policy also encourages local players to offer specific platforms and applications customized on local needs, hoping to balance the global OTTs with a local offer.

The interconnected system of stakeholders that will help Indonesia's 260M people go digital is a *Pentahelix* strategy: its five cornerstones are Government, Academia, Business, Media and the Community. In the latter, the young generation is employed to speed up and build digital communities.

Q&A (during webinar)

- Has Covid slowed down spectrum release?
    - Indonesia has some difficulties because its broadcasting law has not yet been enacted, and the 700MHz-band is very important. We plan to release some C-sat spectrum and harmonize the system between 5G and satellite, many vendors are working with us on this.
    - Malaysia has a similar approach, looking holistically at all frequencies for 5G. We are working together with operators even before allocation, so there will be a combination of spectrum used for the same purpose.
- What are your thoughts on the track and trace apps?
    - There is a trade-off between privacy and health, and both technical challenges and user issues are involved.
    - In Malaysia the government has been promoting the app and since the initial three apps were consolidated into one, it seems to be going well.
- How are you dealing with the increases in cyber-risk as government and private workers work from home?
    - We need trust, and security is a basic point of trust if we want to go digital. This means having both the budgets and rules to implement ISO standards. We need also action from each layer of the ecosystem and need to educate people about keeping their information secure.
    - Infrastructure needs to be secure, and resilience and security are emphasized in a 5G network with Security by Design. Users may be the weak link, and Singapore recently consulted on basic security on home routers: we think it is time to push the basic hygiene levels on these devices
    - In Malaysia, we used social media to advise the public on how to take care of secure access at home, and we worked with other agencies to ensure that apps are secure as they are developed. We need to coach the public on how to use these tools and make them aware of the risks if not used properly.

Q&A (answered post-webinar)

INDUSTRY FACING INITIATIVES/SPECTRUM

- FCC has released the 6 GHz band for WiFi in USA. Is there any plan for Indonesia/Malaysia/Singapore to make 6 GHz available for WiFi?

It will be the responsibility for the entity who gives license. The license giver should adapt to the condition and they should transform all of their business process online. For activities that should be done offline, they should seek other alternatives to at least get a minimum viable product.

Singapore

Singapore has noted recent developments in the USA, South Korea and Brazil to allocate the 6 GHz band for licence-exempt use. We will continue to monitor global developments in the 6 GHz band, including adoption by other administrations, and will work with the local industry to assess the needs and impact of allowing parts of the 6GHz band for use by Wi-Fi and other short-ranged devices.

- Are there plans to update or expand universal service provision in your country? Either perhaps to accelerate connectivity – or the uses of connectivity – or to ensure that there isn't a widening of the digital divide?

Malaysia

The COVID-19 Pandemic and subsequent Movement Control Order has highlighted the need to improve connectivity in Malaysia. The MCMC is presently conducting a National Digital Infrastructure Lab with major local industry players from 13 July to 14 August 2020. The objective of the lab is to map out national communications infrastructure, plan rollout to strengthen coverage and quality of broadband services as well as optimize the use of spectrum and fiber optic resources to improve connectivity in Malaysia. The findings and outcomes from the lab will include matters governing Universal Service Provision and will help accelerate the deployment of digital infrastructure in Malaysia.

Indonesia

The universal service provision program so far is still on track. Yet, to accelerate the connectivity, government budget is needed because USO fund only is insufficient to cover all Indonesia with its mountainous and archipelago geography. We may treat the ICT infrastructures like other basic infrastructures (i.e. road, electricity) where the government is eager to deliver the budget.

Singapore

Singapore's Nationwide Broadband Network (NBN) is a pervasive and ultra-high speed broadband wired network which supports the transformation of Singapore into an intelligent nation and a global city, powered by Infocomm. The NBN offers a nationwide broadband access of 1 Gbps and more, to everyone and everywhere at an affordable price.

There are multiple existing IMDA programmes that support the uses of connectivity. To support access the internet around Singapore, **Wireless@SG**, is available since December 2006 to accelerate the deployment of high-speed wireless broadband, promote wireless broadband lifestyle amongst citizens and those residing in Singapore, spawning an "always connected" culture amongst Singaporeans.

To encourage the needy segment to stay connected digitally, the following programmes are available:

- **NEU PC Plus**
  This programme supports low income households with student or person with disabilities (PWDs) by offering them the opportunity to obtain subsidised personal computers and the option to bundle with three years of free broadband subscription.

- **Home Access**
  This programme supports needy households with 2 years of subsidised fibre broadband connectivity. Households without school going children have the option to bundle the fibre broadband with a tablet or smartphone.

- **Mobile Access for Seniors**
  For lower income seniors who are keen to go digital but cannot afford the digital tools, the Mobile Access for Seniors programme offers a subsidised smartphone bundled with a one-year subsidised mobile data plan.

Other than the above programmes that support digital access and connectivity of Singaporeans, IMDA also ensures seniors, who may not be digitally ready even if there are access and connectivity available, to be equipped with sufficient digital skills for the current digital society, especially during the current COVID-19 situation. Through **Seniors Go Digital**, seniors may start their digital journey by learning useful digital skills under this programme, such as using video calls to connect with friends and family, accessing government digital services, and making epayment at hawker centres and wet markets.

With these programmes provided to Singaporeans, including the seniors, low-income households, and PWDs to support them with digital device, connectivity, and relevant digital skills, IMDA believes the digital gap will be narrowed.

SOCIAL INITIATIVES

- There were media reports that, where free laptops were made available to low income groups, they were hesitant to take them in case they broke down and the costs of repairing them were too high. In your view, how successful have such projects been?

Indonesia

Granting free laptops may not be favourable in my personal opinions because laptops are high-tech devices which need high digital literacy. Laptops will also be inefficient for low

income groups if they don't have the sufficient skills like spreadsheets, good writing, or design.

Regarding that, we think it is not the best practice to give free laptops. To grant free laptops, there are many things to be considered starting from mapping and deciding what groups will receive the grant, distribution of the grant as well as the monitoring of the asset.

Singapore

Under the NEU PC Plus (NPP) programme, IMDA supports low income households with student or person with disabilities (PWDs) by offering them the opportunity to obtain brand new computers at an affordable price. Eligible beneficiaries not only get subsidised personal computers or laptops, but may also avail of the option to bundle with three years of free broadband subscription. For families with school going children who are unable to make the co-payment, they can opt for a last mile programme, INSPIRE Fund, where the student could pay it forward by performing community services, in return for a fully subsidised PCs.

In view of the current COVID-19 situation, the programme, in April 2020, is enhanced to further support more students who are required to adjust to home-based learning, so as to ensure no needy students are left behind in their learning journey. Some enhancements to the programme includes the waiver of existing requirement to perform community service prior to receiving the fully subsidised PCs for eligible students and household with 3 or more school-going children could apply for a second subsidised PC.

Technical support are provided through a 36 months warranty for all subsidised PCs provided under NPP.

IMDA has not received feedbacks on students hesitating to take these subsidised PCs due to potential high repair costs as NPP beneficiaries will not be required to pay for technical support under the warranty.

The NPP programme has been supporting needy students and PWDs since its launch in 1999, and has faced a significant increase in number of applications received upon the commencement of circuit breaker in Singapore. This programme is also complemented by Ministry of Education (MOE)'s recent effort to loan out laptops, tablets, or internet-enabling devices to students who require them for home-based learning upon the circuit breaker announcement. Multiple beneficiaries of the NPP programme have written in to show their gratitude to IMDA upon receiving their PCs. With an increase in applications and positive responses received, IMDA believe that this programme is very successful in supporting needy students and PWDs, especially in the current COVID-19 situation.

- With the popularity of e-commerce and food-delivery services surging during the circuit breaker period, how are social protection programmes such as medical leave and insurance being looked at as regards what could be considered the "new essential services" offered by gig workers? Do the requirements for gig economy workers need to be reviewed?

Malaysia

The Government of Malaysia had introduced a national short-term recovery plan to help the reopening of the economic sector following the COVID-19 pandemic and subsequent Movement Control Orders (MCO). The Plan known as the "Penjana" in the national language recognizes the Gig economy and its contribution during the MCO. Among others it offers facilitates policies which will support the growth of the gig economy as well as protect the welfare of Gig Economy Workers. It provides initiatives for Social Protection and Skilling such as:

- Matching grant of MYR 50 million for gig economy platforms who contribute to workers injury scheme and employees provident fund
- MYR25 million grant for Global Online Workforce Programme to guide Malaysians on how to offer professional services to a global clientele while working from home or location of choice

Indonesia

Social protection is important to make sure the sustainability of gig economy workers. With good social protection, the number of workers will be increased and it can maintain the availability of gig workers. Without social protection, the number will fluctuate and it may create a shortage of workers.

- Continuity of work is important during a crisis. But what about work that had been badly affected such as expiry of license tenure during the pandemic - whose responsibility is it when things go wrong, consumer protection, etc. Can it be conveniently lumped under force majeure? How has each country handled such issues?

Indonesia

It will be the responsibility for the entity who gives the license. The license giver should adapt to the condition and they should transform all of their business process online. For activities that should be done offline, they should seek other alternatives to at least get a minimum viable product.

ECONOMIC SECTORS

- The pandemic *appears* to have accelerated various aspects of the government's digital policy agenda, such as for example, its personal data protection bill and digital tax policy. Has digital policy been a particular focus for the government during the crisis? Are there other specific areas being focused upon?

Malaysia

The Government of Malaysia sees digitalisation as an enabling eco-system for post COVID-19 recovery and the main focus is on incentivising technology adoption to facilitate new-

normal such as enabling workers to return to work and to adapt to new ways of working such as working from home as well as remote learning.

Among others the Malaysian government has introduced a slew of measures to stimulate the economy, propel businesses and empower the people.

Stimulating the Economy	Propelling businesses	Empowering the People
Establishment of an investment fund (Dana PENJANA Nasional) to match private capital in the local venture capital space; National Technology and Innovation Sandbox – to pilot new technologies and to provide a regulatory sand box for new tech solutions; Accelerating the digitisation of Government Services through crowdsourced solutions Provide MYR50 worth of e-wallet credits to drive contact free payments	**Onboarding of SMEs** to e-commerce platforms through training, on-boarding subsidies and sales support; Grants and loans to enterprises for adoption and subscription of digitalisation services; • SME Digitalisation Matching Grant – MYR100 million, • SME Technology Transformation Fund – MYR500 million, • Smart Automation Grant – MYR 100 million Government will co-fund digital discount vouchers for Shop Malaysia Online for local businesses	Support for **Flexible Work Arrangement** (FWA) Initiatives; • tax deduction for employers which implement FWA • Tax deduction for employees who receive mobile device, notebook and tablet from their employer of up to MYR5,000-00 • Tax relief of up to MYR2,500-00 for purchase of mobile device, notebook and tablets **Gig Economy** Social Protection and Skilling • Matching grant of MYR 50 million for gig economy platforms who contribute to workers injury scheme and employees provident fund • MYR25 million grant for Global Online Workforce Programme to guide Malaysians on how to offer professional services to a global clientele while working from home or location of choice

1 MYR to 0.23USD

Indonesia

With the pandemic, we realized that going digital is a must. We are now speeding up the digital policy agenda particularly to finish the ICT infrastructures

Singapore

IMDA fully supports the process of using e-signatures where appropriate to accelerate contract signing and other business processes. Indeed, IMDA released a guide to adopting electronic signature solutions to help guide businesses in this area. IMDA also notes that other government agencies such as the Council for Estate Agents have issued similar guides for their sectors.

IMDA is currently reviewing Singapore's Electronic Transactions Act with a view to further aid Singapore's digitalisation efforts. For example, through the review, Singapore is looking at the adoption of UNCITRAL Model Law on Electronic Transferrable Records which will facilitate the digitalisation of trade financing.

LOOKING FORWARD

- Singapore emerged into Phase 2 of its reopening at the time of the webinar; in your country, what role are digital technologies playing in expansion or resilience efforts for small businesses? How is the government looking to assist or promote these developments?

Indonesia

Digital technology plays important role for small business in expansion or resilience. Small business should rethink their business process and how to make better use of digital technology. As I said on my presentation, the small business needs to adopt digital technology thus they can adapt the situation. Moreover, with the adaptation, new revenue stream or efficiency will come to the small business.

They must implement the digital technology so as to improve resilience or even expand the market during this pandemic.

Singapore

We want to enable enterprises in carrying on with their business operations as much as possible amid the COVID-19 situation, and have increased support for SMEs to digitalise. We are adding more solutions relevant to SMEs in the COVID-19 situation, such as online collaboration and virtual meetings – these will also be available until the end of this year.

The solutions can be implemented rapidly as many are cloud-based and can be used immediately after subscription; others can be operational within a week or less. In addition, we have increased the support available through the Productivity Solutions Grant (PSG), from 70% to 80% till 31 Dec 2020.

In addition to these support measures, we are providing an additional Digital Resilience Bonus for enterprises in the Food Services and Retail sectors. The Bonus is an extra incentive to uplift the digital capabilities of enterprises in these sectors, which are most affected by the safe distancing requirements as we reopen the economy.

- Should changes be made in governance of AI and data given the wider deployment of invasive technologies by Governments and companies during this COVID-19 pandemic?

Indonesia

We think that existing governance that needs to be improved is about the governance to use personal data. The personal data protection is one important things because with this protection, the AI and data ecosystem could grow faster. Also, things that we need to consider is not only governance but also on how can we accelerate the implementation of AI as well as utilisation of data.

- How can governments in ASEAN better cooperate and coordinate in handling these types of "borderless challenges" such as the pandemic? How can digital technologies help, for e.g. what better use can be made of AIs in predicting and tracking?
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Malaysia

While ASEAN was one of the first regions to be affected by the outbreak of the COVID-19 Pandemic, it was by no means the least prepared. Arising from the SARS outbreak in

2003, the region had already put into place cooperation and coordination frameworks to address large scale outbreaks, such as the;

- Network for Public Health Emergencies, led by Malaysia;
- Biodiaspora Regional Virtual Centre, led by the Philippines;
- Regional Public Health Laboratories Network, led by Thailand;
- ASEAN Risk Assessment and Risk Communication Centre;

The use of digital technologies will lead to better collaboration and coordination across the region. One possibility is for the use of digital technologies i.e. AI, contact tracing, movement control; to manage the gradual reopening of borders starting with "travel bubbles" or "green zones" within ASEAN, although cross-border regulatory issues need to be resolved first.

Indonesia

There should be a digital platform for governments in ASEAN thus the governments could easily communicate particularly in this difficult time. Digital technologies help to bridge the communication between governments like videoconferencing. Digital technologies are also beneficial to increase the society's resilience as well as business resilience. The less impact to society and business the better.

Singapore

In ASEAN, digital technology has not only enabled member states to better address health risks, create jobs, open new opportunities for growth, it has also helped to address real gaps in economic and social development for communities and people. As a result, economies and societies are able to emerge stronger and more resilient.

The digital economy will continue to underpin the region's recovery from COVID-19 and serve as a key engine for growth. ASEAN needs to work together to build digital bridges of cooperation and interoperability in order for the digital economy in the region to grow. As such, it is of paramount importance that ASEAN should make plans to open our economies and societies, to make investments in digital utilities, platforms and enablers for more seamless connectivity among the region and with the rest of the world. For example:

- Facilitating cross border data exchange for 'safe travel' and 'green lanes' will help the reopening of air travel and routes.
- Tackling the inefficiencies of cross-border trade caused by manual handling and verification processes, though the use of trusted interoperable e-document exchanges will help trade resume amidst safe distancing measures.
- Digitally connecting multiple SME business ecosystems will provide opportunities for SMEs to engage in market discovery beyond borders and capture more international trade opportunities.

The fight against COVID-19 and recovery will be long, but Singapore is confident of seeing this through together with all our ASEAN partners. We need to work together, establish new global partnerships, to build interoperable digital systems and frameworks to bring the world closer, so that business and trade flows can resume expeditiously, with larger available markets, lower friction, and greater trust.