Regional: Digital Regulatory Cooperation: Unpacking the Implementation "Black Box" - A Mapping of Regulatory Practices, Degrees of Implementation and Practical

Project Name	Digital Regulatory Cooperation: Unpacking the Implementation "Black Box" - A Mapping of Regulatory Practices, Degrees of Implementation and Practical
Project Number	56259-001
Country / Economy	Regional Indonesia Lao People's Democratic Republic Nepal Philippines Thailand
Project Status	Active
Project Type / Modality of Assistance	Technical Assistance
Source of Funding / Amount	TA 10032-REG: Digital Regulatory Cooperation: Unpacking the Implementation Black Box - A Mapping of Regulatory Practices, Degrees of Implementation and Practical
	Republic of Korea e-Asia and Knowledge Partnership Fund US$ 225,000.00
Strategic Agendas	Inclusive economic growth
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development
Sector / Subsector	Industry and trade / Industry and trade sector development - Trade and services
Gender Equity and Mainstreaming	No gender elements
Description	The TA is aligned with the following impact: Improved digital policies and regulations in ADB DMCs. The TA will have the following outcome: enhanced understanding and capacity of DMCs to develop digital policies and regulations in line with global standards for digital cooperation and build credible data governance. By documenting the practical application of digital policies and regulations at the national level in selected countries, the project will allow policy makers to learn from experiences, and advise them on the institutional, policy and regulatory reforms to be undertaken domestically. These elements are particularly important given the huge heterogeneity in countries' level of development. Gaining a better understanding of the gaps and of what is being done on the ground will help DMCs get up to speed and reorient assistance in a practical way towards a more inclusive application of digital trade rules and standards. As the implementation 'black box_ can currently discourage economies to consider the adoption of new digital economic agreements (DEAs) or DEA modules, this project may also contribute to help achieve a necessary critical mass to streamline digital rules across the region. The TA's outputs are as follows. Output 1: Policy roadmap for the implementation of digital policies and regulations developed and disseminated. This output requires gaining a deep understanding of the design, complexity and functioning of the institutional frameworks and assessing the adequacy of such frameworks to support an effective application of domestic digital trade regulations as well as the adoption and implementation of DEAs. Output 2: Regulatory processes associated with digital trade rules and/or DEAs mapped and assessed. The TA will produce a mapping of the institutional arrangements and processes for the adoption of digital regulations through data collection and working in close collaboration with relevant stakeholders identified as part of activities conducted under output 1. Output 3: Small-scale firm-level survey assessing the awareness, take-up and needs of firms for digital standards and provisions conducted.
Project Rationale and Linkage to Country/Regional Strategy	Despite the importance of modernizing and upgrading digital regulatory frameworks to reap the benefits from digitalization, a considerable number of ADB developing member countries (DMCs) in the region are at a nascent stage in this process. The participation in international fora and subsequent adoption of standards in areas such as cybersecurity, data privacy, data protection or digital identity remains concentrated in a group of economies. Furthermore, the alignment of domestic regulations with endorsed international standards, and understanding the complementarities and interactions across policies remain a challenge for several DMCs.The main objective of this project is to raise the understanding of the practical implementation of digital policies and regulations in Asia and the Pacific, by documenting the mechanics of regulatory development processes, digital regulatory practices, and institutional framework. This TA will build a mapping of regulatory institutions and practices, degrees of implementation and practical gaps, addressing questions in two main areas: the institutional aspects of digital regulations and the practical aspects of the adoption and application of new digital agreements._Among others, rules and regulations governing data flows across borders, security and privacy, the protection of source code, and digital localization would form a basis for an integrated digital economy. However, many of the domestic rules and regulations remain incomplete and inconsistent, posing significant barriers to the development of a seamless digital economy. To this end, the TA will improve our knowledge and understanding of different levels of development in digital policies and international digital agreements with view to promoting regional policy dialogue towards harmonization. In supporting this objective, this TA is well aligned with Strategy 2030 and RCI operational priorities of greater and higher connectivity and trade and investment opportunities expanded.
Impact	Improved implementation of digital policies and regulations in ADB developing member countries.

Project Outcome

Description of Outcome	Enhanced understanding and capacity of DMCs to develop digital policies and regulations in line with global standards for digital cooperation and build credible data governance.
Progress Toward Outcome	
Implementation Progress	
Description of Project Outputs	Policy road map for the implementation of digital policies and regulations developed and disseminated. Regulatory processes associated with digital trade rules and/or DEAs mapped and assessed Small-scale firm-level survey to assess the awareness, take-up and needs of firms for digital standards and provisions conducted
Status of Implementation Progress (Outputs, Activities, and Issues)	
Geographical Location	Indonesia - Nation-wide; Lao People's Democratic Republic - Nation-wide; Nepal - Nation-wide; Philippines - Nation-wide; Thailand - Nation-wide

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	

Responsible ADB Officer	Crivelli, Pramila A.
Responsible ADB Department	Economic Research and Regional Cooperation Department
Responsible ADB Division	ERCI
Executing Agencies	Asian Development Bank

Timetable	
Concept Clearance	-
Fact Finding	27 Aug 2022 to 27 Aug 2022
MRM	-
Approval	10 Dec 2022
Last Review Mission	-
Last PDS Update	10 Dec 2022

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Financing Plan/TA Utilization							Cumulative Disbursements	
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
0.00	225,000.00	0.00	0.00	0.00	0.00	225,000.00	-	0.00

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