DIGITAL SOLUTIONS FOR SMEs AND SDGs IN LLDC: CASE OF DIGITAL PUBLIC SERVICES IN MONGOLIA

Subregional Workshop on Innovation and Technology for Sustainable Development with a focus on Digital Public Services for Small and Medium-sized Enterprises in North and Central Asia
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Contents

1. ICT and Digital development in LLDCs
2. Digital solutions for SMEs and SDGs
3. Digital Public Services in Mongolia
ICT & Digital development in LLDCs:

Only 39 per cent of the population in LLDCs is online.

The gender gap in Internet use shows no sign of narrowing in LLDCs.

Source: ITU
ICT & Digital development in LLDCs:

Internet use in rural areas is far behind, but growing faster than in urban areas.

The young are leading the way in Internet use.

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**Percentage of individuals using the Internet, by location**

- **2020**: World - urban: 80%, World - rural: 40%, LLDCs - urban: 60%, LLDCs - rural: 30%
- **2023**: World - urban: 90%, World - rural: 50%, LLDCs - urban: 70%, LLDCs - rural: 40%

**Percentage of individuals aged between 15 and 24 years using the Internet**

- **2020**: World - youth: 70%, World - rest of population: 50%, LLDCs - youth: 60%, LLDCs - rest of population: 40%
- **2023**: World - youth: 80%, World - rest of population: 60%, LLDCs - youth: 70%, LLDCs - rest of population: 50%

Source: ITU
Digital development in LLDCs:

Percentage of population covered by type of mobile network in LLDCs

Despite rapid falls in mobile-broadband prices, affordability targets remain elusive

Price of broadband services as a percentage of gross national income per capita
Digital development in LLDCs:

Mobile cellular subscriptions per 100 inhabitants in LLDCs

International bandwidth per Internet user (kbit/s)

Source: ITU
Digital development in LLDCs:

- The majority of LLDCs, 53 per cent, remain in the less advanced stages of ICT regulation (G1 and G2).
- Overall, the development of policy and regulatory instruments in LLDCs is in line with world averages.
- LLDCs need to focus on effective implementation.

### Evolution of the generations of ICT regulation in LLDCs

![Graph showing the evolution of generations of ICT regulation in LLDCs from 2007 to 2022.]

**Note:** The ‘Generations of ICT regulation’ provides a high-level conceptual framework for the overall development of national legal instruments, policies and governance for the ICT and digital sectors. Generations 1 through 4 are based on ICT Regulatory Tracker scores:

- **G1:** Command and control approach: 0 < 40
- **G2:** Early open markets: 40 < 70
- **G3:** Enabling investment and access: 70 < 85
- **G4:** Integrated telecommunication regulation: 85 ≤ 100

**Source:** ITU
Digital development in LLDCs:

- The level of development of policies that support the creation of digital economies in LLDCs is uneven.

Key digital economy policy instruments, 2023
Digital solutions for SMEs and SDGs

Policy instruments enabling emerging technologies, 2023

- Mechanisms for regulatory experimentation: 36% (World), 25% (LLDCs)
- Future spectrum policies: 32% (World), 16% (LLDCs)
- Artificial intelligence strategies: 16% (World), 6% (LLDCs)
- Cloud policies: 21% (World), 19% (LLDCs)
- Internet of Things regulations: 30% (World), 13% (LLDCs)
- Regulatory incentives for ICT sector or digital markets: 25% (World), 25% (LLDCs)
- Innovation policy: 48% (World), 31% (LLDCs)

Source: ITU
Digital solutions for SMEs and SDGs:

Share of ICT goods exports as a percentage of total trade

Share of ICT services exports as a percentage of total trade in services

Source: UNCTAD
Digital solutions for SMEs and SDGs:

Exports of digitally deliverable services, USD billions at current prices

Share of digitally deliverable services exports as a percentage of total trade in services

Source: UNCTAD
ICT Development of Mongolia

Country profile:
- Territory: **1.5 million km²**
- Population: **3.4 million**
- Population density: **2.1 per km²**
- Administrative unit: **21 provinces, 330 soums**
- Capital city: **Ulaanbaatar**

Internet access:
- Backbone network: **49'943 км**
- Mobile Internet usage: **80%**
- Households with Internet: **35.4%**
- Radio station: **6**
- Multi channel TV subscribers: **760,028**
- Postal service companies: **95**
- **325 soums connected to fixed and mobile communication network**

Mobile phone users:
- By 2022 – **4.8 million**
- 4G users – **3.1 million**
- 3G users – **3.6 million**
- **141 mobiles per 100 people**

Computer accessibility:
- City: **39.1%**
- Rural areas: **17.4%**
ICT Sector development in Mongolia

E-GOVERNMENT DEVELOPMENT INDEX (EGDI) (193 countries)

Mongolia has moved up significantly in the EGDI ranking, from 92 in 2018 to 74 in 2022.

Online service index (evaluation 0-1)
- 2018: 0.59
- 2020: 0.53
- 2022: 0.62
- Average: 0.56

Tele-communications infrastructure index (evaluation 0-1)
- 2018: 0.36
- 2020: 0.61
- 2022: 0.69
- Average: 0.55

Human capital index (evaluation 0-1)
- 2018: 0.79
- 2020: 0.81
- 2022: 0.83
- Average: 0.70

Source: ITU Global Cybersecurity Index 4.0, 2020

Development Level:
- Developing Country, Landlocked Country

Area(s) of Relative Strength
- Legal Measures
- Cooperative Measures

Area(s) of Potential Growth
- Capacity Development
- Organizational Measures

<table>
<thead>
<tr>
<th>Overall Score</th>
<th>Legal Measures</th>
<th>Technical Measures</th>
<th>Organizational Measures</th>
<th>Capacity Development</th>
<th>Cooperative Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>26.20</td>
<td>9.00</td>
<td>6.02</td>
<td>3.13</td>
<td>1.23</td>
<td>6.82</td>
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ICT Development of Mongolia
## ICT Development of Mongolia: E-Mongolia platform

<table>
<thead>
<tr>
<th>№</th>
<th>E-Mongolia Platform Channels (sub systems)</th>
<th>System launched date</th>
<th>Implemented public service count</th>
<th>Number of service successful attempted</th>
<th>Number of services received by percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>e-mongolia.mn (citizen)</td>
<td>2020.10.01</td>
<td>994</td>
<td>4,372,256</td>
<td>12.51%</td>
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<tr>
<td>2</td>
<td>e-business.mn (company)</td>
<td>2023.04.06</td>
<td>730</td>
<td>36,880</td>
<td>0.11%</td>
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<tr>
<td>3</td>
<td>lavlagaa.e-Mongolia.mn</td>
<td>2022.11.25</td>
<td>81</td>
<td>326,626</td>
<td>0.93%</td>
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<tr>
<td>4</td>
<td>operator.e-Mongolia.mn</td>
<td>2020.10.01</td>
<td>440</td>
<td>796,432</td>
<td>2.28%</td>
</tr>
<tr>
<td>5</td>
<td>kiosk.e-Mongolia.mn</td>
<td>2023.03.14</td>
<td>65</td>
<td>6,210</td>
<td>0.02%</td>
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<tr>
<td>6</td>
<td>Mobile app</td>
<td>2020.10.01</td>
<td>151</td>
<td>29,401,888</td>
<td>84.15%</td>
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E-Mongolia Platform usage

E-Government Service:
• 86 organizations
• 1173 services
E-Mongolia users

1.77 million

Ulaanbaatar: 891 thousand 88.2%
Rural: 886 thousand 75.5%

AGE

- 103,100
- 397,900
- 459,200
- 307,100
- 288,500

GENDER

- 849 thousand 48%
- 921 thousand 52%
Direct and indirect effects on the economy

- Number of services received: 41,071,769
- The cost of commuting: 15 million USD
- The cost of documentation required to obtain the service: 227 million USD
- The cost of time spent on services: 1 million USD
- In total: 243 million USD were saved.
New Programme of Action for LLDCs: Digital transformation

<table>
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<tr>
<th>Priority Areas:</th>
<th>Means of Implementation</th>
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<tr>
<td>Structural Transformation and Science, Technology</td>
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<td>and Innovation</td>
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<td>Trade, Trade Facilitation and Regional Integration</td>
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<td>Transit, Transport and Connectivity</td>
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<tr>
<td>Enhancing Adaptive Capacity, Strengthening Resilience and Reducing Vulnerability to Climate Change and Disasters</td>
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**Actions and Targets:**

- Substantially increase investment in research and development, and in building accessible, reliable and affordable digital infrastructure in LLDCs
- Expand participation of LLDCs in the digital economy through stronger partnerships and improving digital literacy and skills
- Establish regional digital platforms for peer-to-peer level learning, trainings, and capacity building
- Support LLDCs in the development of new digital governance models and comprehensive strategies that build resilience, bridge digital divides, promote equitable, inclusive and sustainable economic growth and create jobs in the digital sector
- Increase investments in broadband and digital infrastructure and the expansion of their data center capacity
- Increase investments in digital, human and institutional capacity-building with the view to improving the digital transit and transport infrastructure
- Expand connectivity and digital transformation in LLDCs with a focus on hardest-to-connect communities, including through the Partner2Connect initiative
ITTLDC supports LLDCs in fields of ICT and Digital transformation in 2024:

- International forum on facilitating LLDCs’ Sustainable and Digital Transformation
  - in collaboration with MDDC and UN RCO
  - In August 2024

- Development of an Inclusive Digitalization Advocacy Roadmap
  - In collaboration with People in Need
  - In October 2024

- Strengthening connectivity in North and Central Asian countries by promoting the co-deployment of ICT-Energy-Transport infrastructures
  - In collaboration with UN ESCAP and Uzbekistan
  - At proposal stage
THANK YOU!