

Executive Order No. 351

To establish a National Information Communication Technology Policy for the Republic of Palau.

WHEREAS, in order to spur economic development in a complex digital world, it is essential for the Republic to create an Information Communication Technology (ICT) Policy that will enable an environment that supports a robust ICT industry and where education, health care, emergency management, and government services are enhanced and more widely distributed through equitable access to ICT; and

WHEREAS, the foundation for an Information Communications Technology Policy has, since 2002 with the assistance of the UNDP/UNOPS e-Pacifika, worked with both the private and public sector to identify Palau's common ICT goals, which resulted in the development of the ICT-2003 Plan that this 2013-2016 Palau National ICT Policy builds upon; and

WHEREAS, the Government recognizes that improvements in the ICT environment in Palau require a series of related actions to be undertaken, including the liberalization of conditions for market entry, a level playing field for market participants, increased public and private investment in the sector, and the adoption of a range of supporting policies to encourage growth and ensure improvements in access to and the affordability of ICT services for the people of Palau; and

WHEREAS, the Government is considering a major investment in improved international connectivity for Palau, in partnership with the Federated States of Micronesia, through the construction of a Palau-Yap-Guam submarine fiber optic cable system.

NOW THEREFORE, by virtue of the authority vested in me as President of the Republic of Palau, pursuant to the Constitution and applicable laws of the Republic, it is hereby ordered that the following ICT Policy be established and implemented by all appropriate government agencies and entities, as set forth herein, as follows:

I. Policy Context

1. This policy document sets forth the over-arching goals, objectives, and strategies for the delivery of ICT. The Policy will form the basis for the development of ICT in the Republic of Palau.
2. This policy framework was developed with the assistance of the International Telecommunication Union (ITU) through the ITU-European Commission (EC) project for the Pacific Island Countries (ICB4PAC) and in partnership with the Division of Communication of the Ministry of Public Infrastructure, Industries, and Commerce.
3. ICT, as a result of its nature, encompasses both public and private sectors, and, in some cases, brings the two to work together. In this context, the National ICT Policy is designed to integrate and harmonize top-level national priorities and sectoral goals, in both the private and the public sector, through a participatory, inclusive, and cohesive approach.
4. This policy sets the direction to improve government efficiency by promoting the use of ICT for internal government functions and supporting the development of e-Government service for delivering online public services.
5. The intent of this Policy is to create an environment where we are able to exploit the potential of ICT to foster entrepreneurship, creativity, and innovation, and to implement a policy, laws, and regulatory system that is consistent with the international best practices for ICT that are the most appropriate for Palau and that will increase productivity across the economy.
6. The direction of this Policy is to develop a robust framework for ICT policy, laws, regulations, services, technical and human resources development, and consumer protection, in order to support our participation in an information society and networked economy. ICT is an inherently democratic and empowering force that presents an unparalleled opportunity to improve the free flow of information and ideas not only in our country but around the world.
7. A digitally connected society also comes with its own challenges and threats. It is therefore essential that laws and regulations are put in place to enable electronic transactions to take place — but also to protect individuals, the community, and businesses against cyber-crimes and inappropriate online content and behavior.

8. It is also important that our environment is protected. Policies are required to protect our country from being used as the place for discarding obsolete ICT equipment. Prudent waste management practices will ensure that e-waste will have minimal to zero impact on the fragile environment of our country.
9. The focus of this policy, therefore, is to provide an ICT strategic framework to facilitate policies, laws, and regulations that enable socio-economic development of the Republic of Palau and to make it possible for our citizens and visitors to participate effectively in the local and global economy.

ICT Vision

“All citizens in the Republic of Palau shall have equitable and affordable access to ICT to improve the quality of life through socio-economic development.”

Rationale: Improved quality of life, as defined by an improved lifestyle in society through health, education, and a safe and healthy environment, though the effective use of ICT, is the underlining common vision of this ICT Policy. In addition, with this vision we aim to empower citizens, enhance democratic values, and promote social and economic sustainable development to help achieve self-sufficiency. Strong political will, commitment, and stakeholder consensus is required to effectively achieve this unified vision. Concurrently, we must work towards increasing public awareness, knowledge, skills, and abilities of ICT; provide affordable and accessible ICT to all citizens in Palau through improved ICT; and develop the infrastructure necessary to support the use of ICT for e-Commerce, e-Learning, and e-Health. We aim to create a secure and private means of information exchange in order for our people to confidentially engage in online activities and in the information society. The potential for ICT to contribute to development is tremendous. However it is also our common goal to have an appropriate balance between ICT, and our culture and traditions.

III. Guiding Principles and Policies

Guiding Principle 1: Human Resource Development

Policy Statement: Promote ICT human resource development to raise awareness of ICT, enhance the knowledge, skills, and abilities of Palau's workforce, and utilize ICT as a positive force for human resource development for the public and private sector.

Rationale: To implement and sustain the national ICT vision, the Government is committed to prioritizing ICT workforce development and strengthening the overall workforce knowledge skills and abilities by increasing human resource development opportunities through the use of ICT. Improvements in access, awareness, human resources development, and usage are required for Palau to participate in the global economy. A critical mass of human resources with ICT knowledge, skills, and abilities will be developed through coordinated and appropriate education and training programs. Given the cross sectoral nature of ICT, education and training of all leaders and policy makers is essential to ensure that ICT is integrated into the policy development of all sectors. ICT human resource development is needed for consumers of ICT and the ICT workforce. The public and private sector shall support and prioritize e-Learning programs for vocational and 'lifelong education' opportunities to develop citizens with updated and relevant skills needed to be competitive in the current workforce. Government encourages the coordination of and participation in local and regional e-Learning programs to strengthen and enhance overall human resource development through the use of ICT.

- Policy 1.1: Developing an awareness of ICT and computer literacy at all community levels will be promoted and developed, while safeguarding existing social and cultural values.
- Policy 1.2: Development and retention of a knowledgeable ICT-savvy workforce that will be able to contribute to the maintenance and further development of ICT throughout Palau.
- Policy 1.3: ICT strategies will be developed and strengthened in a flexible manner to facilitate human resource development, capacity building, and reduce

professional isolation of the population at all educational levels, especially in rural and remote areas.

Policy 1.4: Policy makers and regulators shall receive ICT education and training to ensure that ICT is integrated in the policy development of all sectors.

Policy 1.5: Support and participate in regional ICT human resource development initiatives in order to maximize resources, share lessons learned, and coordinate efforts.

Guiding Principle 2: Support Access to Affordable ICT Infrastructure

Policy Statement: Appropriate, accessible, and affordable ICT infrastructure will be developed to support socio-economic development in Palau.

Rationale: It is a fundamental right for all citizens to have equal access to affordable ICT without discrimination of income, level of literacy, urban or rural areas, and people with special needs. ICT infrastructure in rural and remote communities in some places in Palau is underdeveloped. Consequently, these communities have limited to no access to internet and advanced communication services. Furthermore, due to the developing economy and high cost of ICT services in Palau, most homes cannot afford a computer and the recurring cost of services. As a result, Palauan citizens generally do not have easy access to important public information available on the internet, cannot access essential health and educational material, and are not easily able to participate in online learning opportunities.

Infrastructure development is a key component for reliable, robust, secure, and cost effective services. Government policies and regulation are also instrumental in encouraging investments and promoting effective and fair pricing. Accessibility may also be improved by maximizing existing resources and sharing ICT access points in public locations such as local government institutions, post offices, health centers, and schools, which would increase citizens' awareness of and ability to access ICT.

Policy 2.1: ICT networks and support infrastructure will be reliable, secure, fast, cost effective, and adaptive.

Policy 2.2: Encourage investment and development in ICT infrastructure.

- Policy 2.3: Promote a national approach for the consideration and adoption of global ICT standards.
- Policy 2.4: Work to improve access and reduce the financial burden that development of ICE imposes on government, non-government organizations, and businesses.
- Policy 2.5: Develop mechanisms for increasing access to ICT by maximizing resources through the shared use of ICT facilities and infrastructure and promoting access to phone and Internet access for rural and underserved sectors.
- Policy 2.6: Everyone shall have equal opportunities to access ICT.

Guiding Principle 3: Enhance Economic Growth and Sustainable Development through ICT Utilization by the Public and Private Sector

Policy Statement: ICT will be effectively utilized by the Government and the private sector to maximize economic growth and social development.

Rationale: There is much promise and potential for increasing the productivity of businesses and inducing economic growth through the widespread distribution and effective use of ICT. Palau will create a safe and reliable environment for e-Commerce to enable buying and selling of local and overseas products online. Economic development shall be achieved through the utilization of ICT to collect and distribute valuable data to businesses regarding market price, supply chain, and consumer information. Government will promote ICT development and investment in Palau.

Government will also support and utilize ICT to promote sustainable development in health, education, and other public service applications such as public safety, language, cultural perpetuation, and protection of our environment.

Development of new methods in commerce, education, and public administration in Palau is inhibited by limited human resources, institutional capacity, and the high cost of information management systems. Therefore, cooperation between the three spheres of social, economic, and civil activity is essential to overcome these constraints.

- Policy 3.1: Utilize ICT to enhance sustainable development and promote economic growth.
- Policy 3.2: Government, the private sector, and NGOs will expand their use of ICT to interact, disseminate information, and promote the principles of good governance and sound business planning with their respective stakeholders.
- Policy 3.3: Utilize ICT to maximize efforts in improving sectors of the economy including tourism, energy, transportation, environment, agriculture, and food security.
- Policy 3.4: Promote the use of ICT for education, health, public safety and security, and the promotion of the rich Palauan culture identity and diversity.
- Policy 3.5: Development of community access to local content will be encouraged for all fields of information.

**Guiding Principle 4: Establish Appropriate ICT Policies
and Regulatory Framework**

Policy Statement: Government will establish updated ICT policies, laws, and regulations that will ensure a competitive market for ICT to flourish and create a strong regulatory framework in order to facilitate the fair development of the ICT sector in a way that is appropriate for the people and cultures of Palau.

Rationale: Government will strengthen the legal and policy framework to enable social and economic development through ICT by developing a legal and regulatory framework that: promotes competition between service providers, efficient pricing, and costs; promotes universal access; and provides oversight and management of the ICT sector. It is critical that these policies ensure equitable access to ICT-enabled services, applications, and content to all people in Palau, particularly for Palau's rural and underserved populations.

To achieve affordable access, Government will develop a legal and regulatory environment that will support a robust ICT industry that enables competition in the telecommunications market. An independent ICT Regulatory Authority will be established to provide oversight and management of the ICT sector. Government will adopt policies and regulations to promote universal service

access and will also focus efforts on policies to encourage public service telecommunications, meaning special ICT infrastructure and services for public sectors such as health, education, and emergency management.

Current ICT related legal and regulatory frameworks are outdated, insufficient, or non-existent to meet the challenges and opportunities made possible by rapidly developing technologies. Modern legislation, that is consistent with the international best practices in ICT, will be required to support the implementation of this policy, and to provide confidence to market participants and to consumers in the integrity of the regulatory system.

- Policy 4.1: Develop ICT laws and regulations that are consistent with international best practices in ICT.
- Policy 4.2: Establish an independent ICT regulatory authority to provide oversight and management of the ICT sector in order to ensure and support the development of a competitive market; protect the interests of consumers, and benefit the cultures, customs, and economies of the people of Palau.
- Policy 4.3: A Regulatory framework will be developed to regulate ICT and to address criminal activities to protect the public and their rights.
- Policy 4.4: Work towards practical low-cost Universal Access to ICT so that everyone in the Republic will have equal access to ICT without barriers.
- Policy 4.5: Palau will take a pro-active approach to representation and advocacy in the regional and international fora in order to promote partnerships to resource the development of ICT for all the people of Palau.

IV. Policy Implementation

1. Minister of Public Infrastructure, Industries and Commerce. The Minister of Public Infrastructure, Industries, and Commerce shall implement the ICT Policy, as set forth herein.
2. Administration. Staff shall be provided by the Minister, the Office of the President and from other government agencies and entities, as is necessary to assist the Minister in the implementation of this ICT Policy.

3. Implementation Committee. The President shall, when appropriate, and as advised by the Minister, establish a committee or committees to assist the Minister in the implementation of this Policy.
4. Reports. The Minister shall prepare quarterly and annual reports on the status of the implementation of this ICT Policy.

V. Subsequent Policy Development

1. The Minister shall monitor the implementation of this ICT Policy and advise the President when its objectives have been completed or when the Policy appears to be outdated. At that time, the Minister shall take all steps that are necessary to develop a new ICT Policy.
2. The Minister shall resource appropriate regional and international assistance as is necessary to develop the next ICT Policy.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this November 22, 2013:

/s/

Tommy E. Remengesau, Jr.
President
Republic of Palau