e- Transformation in Turkey

By

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Agenda

- ICT in Turkey
- Information Society Strategy
- Broadband in the Strategy
- Overview of e-Government Projects
- What lies ahead for Turkey?
- Conclusions
- Q&A
ICT Usage

ICT Usage (2002-2006)

Source: Information Society Strategy, SPO, TA
Turkish ICT Market - I

ICT Market (2002-2006)

Source: SPO
Turkish ICT Market - II

GDP Ratios of ICT Segments

Source: OECD Information Technology Outlook, 2004
Turkish ICT Market - III

• GSM: 3 GSM operators, 4th biggest GSM market in Europe, international expansion, 3G licenses in 2008, low ARPU
• PSTN: Turk Telekom privatized in December 2005, TT pushes for VAS and introduces new tariffs, competition starts in long distance
• Broadband: Engine of growth, dominated by DSL, WiMAX in trial phase
• Cable TV: 1,2 M cable TV subscribers, digital TV is coming up, litigation process about ownership continues
• IT sector: Mostly hardware, software industry depends on domestic demand, low PC-installed base
Information Society Strategy - I

- e-Transformation Turkey Project
  - Started in 2003
  - Covers e-Government, ICT, social transformation, etc
  - High on the political agenda
- e-Transformation Turkey Executive Board
  - Monitoring and steering
  - Four ministers
  - Heads of government agencies and NGOs
  - Meets once a month (22 meetings held up to now)
- A holistic approach
Information Society Strategy - II

GLOBALLY COMPETITIVE IT SECTOR

R&D AND INNOVATION

COMPETITIVE, WIDESPREAD AND AFFORDABLE COMMUNICATION INFRASTRUCTURE AND SERVICES

CITIZENS

Social Transformation
Modernization in Public Administration
Citizen Focused Service Transformation

BUSINESS

ICT Adoption by Businesses

GOVERN.
• Action Plan comprises 111 actions
• Continuous evaluation is planned with certain indicators
• Total Cost of Actions: 2.9 Billion YTL (~2 Billion USD)
• Annual Cost Breakdown:
Broadband in the Strategy

Basic Communication Needs of the Information Society

- Continuous, High Quality, Secure and Fast Communication
- Ubiquitous Access
- Low Cost Communication

Telecommunication Sector

- Broadband Infrastructure
- Competitive Environment
- Taxes
**Broadband Targets**

- “High quality and affordable broadband access facilities for all segments of the society”

<table>
<thead>
<tr>
<th>Key Indicators</th>
<th>Current</th>
<th>Target</th>
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<tbody>
<tr>
<td>Rank of sector competitiveness among EU countries</td>
<td>10+</td>
<td>1-5</td>
</tr>
<tr>
<td>Ratio of population covered by broadband access infrastructure to overall population (%)</td>
<td>~ 75</td>
<td>95</td>
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<tr>
<td>Ratio of end-user cost of broadband access to per capita income (%)</td>
<td>5.4</td>
<td>2</td>
</tr>
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Broadband Penetration in OECD Countries, June 2007

Source: OECD, 2007
Investment in e-Government

Public ICT Investments (2002-2006)

Source: Information Society Strategy
Overview of e-Government Projects

• Stand alone e-Applications
  – Tax (VEDOP), social security (e-Bildirge), citizenship (MERNIS), passport application (POLNET), judiciary (UYAP), customs (GIMOP), land registry (TAKBIS), etc.

• Integration and interoperability

• Cross-agency applications

• e-Signature has started in some services

• e-Government Portal by Turksat
  – 19 pilot services in 2008
## Progress in e-Government

### Sophistication and Fully Online Services, 20 e-Services Prioritized by the EU

<table>
<thead>
<tr>
<th>e-GOVERNMENT SERVICES</th>
<th>TURKEY</th>
<th>EU27+</th>
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<tbody>
<tr>
<td>Sophistication (%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Services for Businesses</td>
<td>86</td>
<td>84</td>
</tr>
<tr>
<td>Public Services for Citizens</td>
<td>57</td>
<td>70</td>
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<tr>
<td>Fully Online (%)</td>
<td></td>
<td></td>
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<tr>
<td>Public Services for Businesses</td>
<td>75</td>
<td>71</td>
</tr>
<tr>
<td>Public Services for Citizens</td>
<td>42</td>
<td>52</td>
</tr>
</tbody>
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*Source: CapGemini – Benchmarking The Supply of Online Public Services, September 2007*
What lies ahead for Turkey?

• Information Society Action Plan will trigger new investments
  • e-Government projects will continue to grow
• Hardware industry
  – PC programs: MoEducation, MoHealth, etc.
• Software industry
  – Defense, education, health, telecoms
• Mobile
  – Intensified competition
  – Number portability from 2008
  – 3G licenses in 2008
  – Mobile content and services (e.g. Mobile signature)
  – A fourth operator? R&D effect?
• Fixed network
  – Broadband infrastructure expands
  – More value-added services
Conclusions

• ICT is for development: Public services, education, employment and better skills, social transformation, etc.
• Infrastructure is not enough; content and services are key
• Software and services industry
• e-Government projects and public procurement are the driving-forces of ICT growth
• You need a strategy (that works)!
• You need to communicate your strategy!