E-Policy & E-Regulations

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- Issues
  - Telecom Policy & Regulations
  - E-Commerce Policy & Regulations
  - Cyberspace Policy & Regulations

- Implementation
  - Action Plan
  - Benchmarking
  - Best Practices

- Model Cases:
  - WSIS
  - eEurope2005
ICT Development Policy

Conventional Classification

- Telecommunications Regulations
  - Equipment
  - Networks
  - Services
- Communications (Information, Media) Regulations
  - Content
Emerging challenges

- New Classification Issues
- Carriage cum Content
  - Internet telephony
- Non-telecom sector carriage
  - Commodity markets eg. Band-x
  - E-banking
- Non-financial sector content
  - Secure payment products
Telecom Development Policy

- Competition issues
  - Market efficiency
  - Sustainability of competitive markets
  - National, regional and global levels

- Trade policy issues
  - Supply of telecom equipments
  - Provision of transit services
  - Information & knowledge economy development

- Non-economic public policy issues
  - Provision of public goods
  - Universal service
  - Digital divide
Telecom policy challenges

- Liberalization
- New technology
- Convergence
- Legal clarity & certainty
Liberalization

- Equipment
  - Tariff reduction
  - WTO Information Technology Agreement (ITA)

- Network infrastructure
  - Traditional natural monopoly
    - Replication as uneconomic
  - Scarcity of wireless spectrum
    - Oligopolistic tendency
    - Low population density eg. Russia, Finland: Broadcasting networks and wireless infrastructure

- Services
  - Liberalization underway
  - WTO Basic Telecom Services Agreement
  - GATS Financial Services Agreement
Issues

- Market deregulation vs. Telecom liberalization & competition?
  - OECD experiences
  - Developing countries
  - Reregulation of incumbent for ensuring market entry of new providers
- Technology factors
  - Internet
  - Others
Flexible deregulation

- **UK Telecommunications Act 1984** `deregulatory`: existing burden removed but not necessary protection

- **US Telecommunications Act 1996**: Federal Communications Commission to forbear from regulations & review regulatory framework to remove certain provisions (no longer necessary: 47 USC*160-161)

- **Austria Telecommunications Act 1997**: regulators acting mostly in the event of impasse, promotes the greatest practicable use of self-regulation
Privatization issues

- Massive capital investment needs
  - Sale of strategic sale of the incumbent
  - BOT
  - BTO
  - Private sector finance for new entrants
- Sate revenue raising concerns
- Consumer benefits
- Control, management, ownership
- Future proof
Post-privatization

- Government stake holdings in incumbent operators
  - eg. BT 1984, 1991 and 1993 share price control
  - eg. Deutsche telecom’ merger with Voicestream
- Post-Performance of the incumbent
  - General public as shareholders
  - 21 OECD governments still as national champions having stake in the incumbent
- Lack of legal certainty
- Technological progress
Telecom Policy & Instruments

- Policy objectives & principles
- Legislative instruments
  - Primary and secondary legislation
  - Incumbent and new entrants
  - Licensor and licensee
  - Operators, service providers and consumers
    - eg. Interconnection agreement
    - eg. Outsourcing agreement
- Regulatory authority
  - Independence from vested interest
  - Government as shareholder of the incumbent
Regulatory challenges

- Telecom sector-specific regulations
  - Necessary
  - Heterogeneous (vertical and horizontal)
- Convergence issues
  - eg. European Commission 1999 proposal of a single regulatory framework for all forms of communications infrastructure (voice telephony, data, broadcasting)
- Competition law
  - At a mature stage
  - Clarity vs. Non-clarity:
  - eg. SMP and Dominance issues
Regulatory Structure

- eg. UK (Telecommunications Act 1984)
  - Telecom sector
    - Secretary of State for Trade and Industry
    - Director-general of Telecommunications
  - Radio Spectrum
    - Radiocommunications Agency
  - Broadcasting
    - Independent TV Commission on broadcasting
  - Competition
    - Office of fair trading
Regulatory Layers and Challenges

- National level
  - Jurisdictional complexities
  - Regulatory multiplicities
  - Maze of procedures

- Regional level
  - European Commission, Parliament, Council
  - ETSI

- International level
  - WTO, ITU

- Global level
  - Technology convergence
  - Legal divergence