TITLE - The regulation of Next generation networks

With some claims by operators that they have deployed Next Generation Networks (NGNs) it is essential to be able to develop the correct enabling conditions for their deployment in terms of regulation and competition policy. That is assuming there really is demand for the services they allow.

One lesson that emerges from the last decade is that flexibility in licensing has been very successful. For example, allowing spectrum for GSM to be used for UMTS contributes to market development. Allowing fixed and mobile network operators to enter each other's market is again positive. The evidence is that constraining operators causes many more problems than allowing them to change with markets and technologies.

The lessons from the evolution of Internet peering and transit need to be combined with those from the traditional world of voice interconnection. This will be a much more diverse system, with a range of players of very different sizes and roles.

Access to the networks of established or incumbent operators has been a highly contentious issue over recent years, notably in the debates on local loop unbundling, network neutrality and leased lines (both national and international). It is necessary to develop from these the principles that can be applied to the negotiation of access for NGNs.

It is essential to develop policy tools and tests that can be applied within the resources of regulators and do not require the use of inappropriately complex models. There are important resource constraints in the regulatory authorities that have to be taken into account.

Not only do we need to consider next generation networks, but also next generation regulation. That is to learn from those areas where regulation has been most effective and equally where it has been ineffective. Tools that are simple and effective need to be identified. In particular, it is necessary to identify the circumstances where not regulating an activity is more effective than regulating.