

Realities of Regulation in a Changing World

Structure of the regulator and how to make the most of different models

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Nature of regulatory body

- Ministry:
 - Japan
- Agency of Ministry:
 - RA (UK)
- Non-Ministerial Government Department:
 - OFTEL (UK)
- Public Authority:
 - NCC, ICASA, UCC, OFCOM (UK) etc. (most)
- Agency of Legislature:
 - FCC (US)

Scope of regulatory responsibilities

- telecommunications:
 - about half EU National Regulatory Authorities (NRAs)
- telecoms and radio spectrum:
 - many EU NRAs, Estonia, Jordan, SATRA (SA)
- communications sector:
 - FCC, CRTC, ICASA (SA), OFCOM (UK)
- multi-sector utilities:
 - Jamaica [Anguilla, Botswana, Kenya, Malawi]
- international co-ordinator:
 - ECTEL

Single or multi-sector

- Sector or industry specific:
 - experience and understanding of industry
 - specialised skills
 - but can become too close to industry
- Multi-sector:
 - broad experience of different sectors
 - pooling of scarce skills
 - better able to resist political pressure
 - more demanding in organisational terms

Structure of regulator

- Individual:
 - Denmark, Sweden, Switzerland, UK
- Full Time Commission:
 - FCC (US), PUCs (US), ICASA (SA)
- Part Time Commission, with one or more full time members:
 - Botswana, Nigeria, Uganda, OFCOM (UK)
etc (most)
- Competition Authority:
 - [Australia], New Zealand

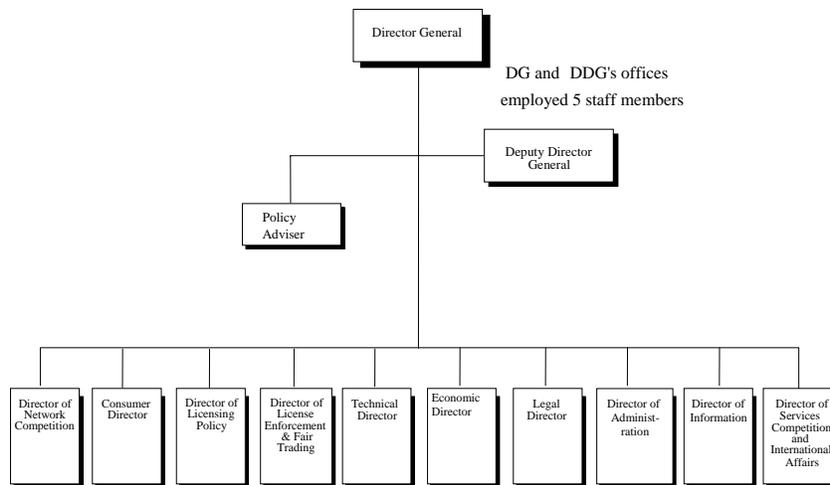
Internal structure

- Functions:
 - licensing and regulation
 - compliance and enforcement
 - consumer affairs/public information
- Professional skills:
 - technical
 - legal
 - economic/accounting/statistical
- Project teams

Effective decision making body

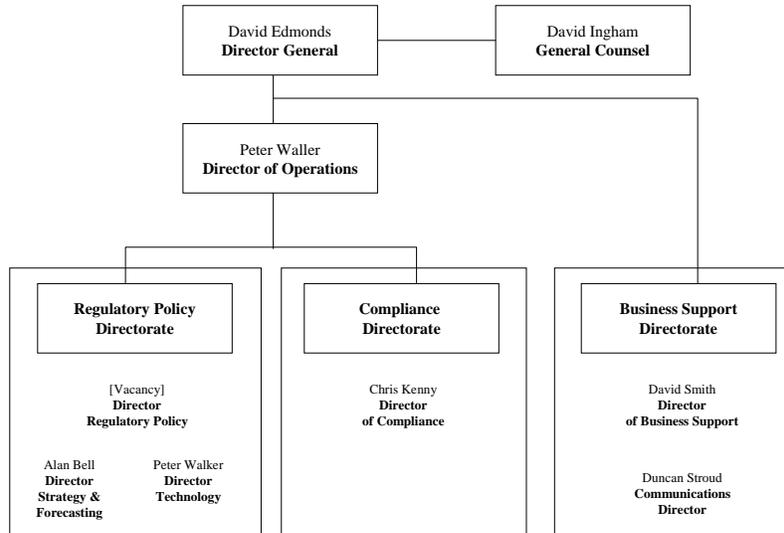
- clear lines of responsibility and command
- functional structure for open decision making:
 - key experts need to have say in vital decisions
 - avoid too many layers (e.g. OFTEL since 1998)
- sufficient professional expertise to validate its own key decisions
- qualities required:
 - competence (training); transparency; decisiveness; authority

OfTel's Structure to 1998



Source: OfTel report, 1995 The Director of Information's department includes press relations and the research and intelligence unit

Oftel's Structure after 1998



Size of regulator

- larger than may at first appear necessary
- enough staff to do the job effectively
- key professional skills in-house
- availability of sources of broader expertise in support
- cost not to exceed 2% of regulated revenue
- small states may benefit from sharing resources

Staff numbers

• Australia	430	• Iceland	17
• Belize	6	• Latvia	30
• Botswana	52	• Malta	16.5
• Brazil	1600	• Morocco	389
• Canada	400	• Peru	125
• Cape Verde	6	• Singapore	138
• Germany	2500	• Sweden	165
• Jamaica	27	• UK	208
• Jordan	65		

• Source: websites (2002)

Sources of expertise

- government service
- other regulatory bodies
- firms in the sector (including incumbent)
- professional firms
- academia
- NGOs
- overseas secondments
- a broad mixture is usually best