

**WELCOMING ADDRESS OF HAMADOUN I TOURE
DEVELOPMENT SYMPOSIUM FOR REGULATORS
20 NOVEMBER 2000
SALLE B, ITU TOWER**

ITU/BDT Development Symposium for Regulators: Helping To Bridge The Digital Divide Through Sector Reform

Secretary General Utsumi, Chairmen Kennard, Verma, Lekaukau, Président Hubert, distinguished guests and participants, ladies and gentlemen, it is my honour to welcome you to the Development Symposium for Regulators.

The Regulators Symposium marks a milestone for the International Telecommunication Union (ITU). This is the first time ITU has hosted an event designed just for national telecommunications regulators. I am delighted that so many of you have responded to our invitation to attend this watershed event. As we look around this room, we can see that the Symposium has attracted regulators and policy makers from all four corners of the globe. And with so many top-level regulators joining us today from so many nations, I think it is safe to say that the Symposium can be considered the first World Forum for Regulators.

As Director of the ITU Development Bureau (BDT), I believe this meeting is key to the future of the telecommunications sector and to the future of ITU. As all participants in this Symposium are aware, the telecommunications sector is in the midst of a revolution that is completely transforming society. Four key elements have combined to revamp the sector: the advent of innovative new technologies, the convergence of telecommunications, broadcasting and Information Technology (IT), the privatization of formerly state-owned telecommunication operators and the opening of national markets to competition.

National regulators are at the heart of this revolution. They have emerged as key players in the new telecommunications landscape, addressing each of the elements that are driving the telecommunications revolution.

Ultimately, however, the role of regulators boils down to promoting the best interests of consumers – those who are already using telecommunications services as well as those who have yet to place their first phone call, send their first email or complete their first e-commerce transaction. The aim of regulation is to facilitate, to stimulate and to boost telecommunication markets to meet customer demands. What do customers demand? Services that enable them to communicate or do business from anywhere, anytime and at the lowest price. It is the challenge of the regulator to understand market expectations and dynamics.

Many countries -- driven by a concern that their citizens will be shut out of the Information Society -- are restructuring their markets by opening their markets to competition and private investment. Competition and private investment are not only helping to develop networks for basic telecommunication services, they are fueling the rollout of innovative new technologies such as mobile cellular, the Internet and the marriage of mobile and the Internet -- third-generation mobile services called IMT-2000 services.

But nations have also discovered that they must establish the proper legislative and regulatory environment in order to attract private investment and promote competition. They realize that *sector reform is the key to bridging the digital divide*. Without an

appropriate framework for sustained infrastructure development, other efforts aimed at bridging the digital divide may have little long-term impact.

If sector reform is the key to bridging the digital divide regulators are the architects of the bridge-building project. Regulators are leading the fight to close the gap between the Information haves and the Information have-nots. This is because competitive markets require referees. Markets dominated by former monopoly operators do not automatically become competitive just because a new law mandates competition. Incumbent operators have too much at stake to allow competitors to wrest market share without a struggle. Strong, independent regulators are needed to allow competition to flourish so that end users' needs are met.

Our goal in hosting this meeting is twofold: to formally recognize the key role regulators are playing in bridging the digital divide and to launch a global dialogue among regulators in an effort to strengthen their efforts. We are convinced that working with you on sector reform holds the key to bridging the digital divide. It is for this reason that we are placing a greater emphasis on regulatory issues throughout ITU. On a personal level, I would add that not only do we recognize the importance of your role -- we applaud your efforts. I believe all the regulators in the audience deserve a round of applause.

ITU was one of the first organizations to understand the rise of national regulators and their significance in the new telecommunications landscape. ITU/BDT already provides a wide range of products and services for regulators and policy makers.

As many of you here know, BDT conducts an annual regulatory survey. We wish to thank each and every one of you who have responded to our annual survey over the years. Your survey responses have told us that the number of national regulators has jumped from a mere 12 in 1990 to 96 today, with at least 25 more countries planning to establish a regulator in the years to come.

All survey responses are maintained in the ITU World Telecommunication Regulatory Database. Some of this data is available free of charge on the ITU TREG website. I know that many of you refer to our TREG website to find contact details for regulators and policy makers, to research telecom legislation and regulations from around the globe and to access the other reference materials.

To complement the TREG website, BDT is today releasing its long-awaited regulatory CD-Rom ***Trends in Telecommunication Reform – Country Profiles*** from our 1999 and 2000 databases. I would like to give my thanks to BDT policy analyst Nancy Sundberg and programmer Kevin Munn for their fine work in developing this CD-Rom. Kevin and Nancy, would you kindly stand up so we can recognize your fine work. Kevin will be demonstrating the CD-Rom and the TREG website in the cybercafe located next to the coffee bar on this floor. The CD-Rom can be ordered from the ITU Bookshop or from the ITU electronic bookshop on the ITU website.

We are also releasing a draft version of the annual publication *Trends in Telecommunication Reform 2000/2001*. Regulators and policy makers have told us they consider efficient interconnection regimes essential for the development of today's integrated global telecommunication networks. With this in mind, we decided to devote this year's edition of *Trends* to this key issue in an effort to deliver the kind of information you need.

Tomorrow all *Trends* authors will present their findings and lead an interactive dialogue on interconnection with a panel of regulators from all regions of the world. We are devoting the better part of the day for this discussion to emphasize its importance.

Of course BDT also provides many other services for regulators and policy makers, such as distance-learning training courses for regulators offered by our Human Resource Development Unit, Internet case studies, and a growing number of regulatory workshops, conferences, seminars and direct assistance projects. Next year, we will add regulatory case studies to our repertoire.

By hosting the Symposium, however, we aim to take our range of products and services to the next level. We believe ITU can play a catalytic role bringing together regulators from around the world to foster a global sharing of views and experiences with the goal of strengthening regulators worldwide. Given that we have attracted more than 220 participants from over 80 countries we should have no difficulty in attaining this goal.

Many fledgling regulatory bodies are striving to increase their knowledge base to become more effective regulators. At the same time, all regulators – from those that are well established to those that are brand new – are struggling to keep up with the technological changes that are revolutionizing the information and communication technology (ICT) industry. We challenge both groups of regulators to share their views and experiences. Just as some developing countries are leapfrogging over old technologies, some neophyte regulators are leapfrogging over regulatory regimes created before the digital age.

The response to this meeting emphasizes that ITU has an important role to play in serving the needs of regulators. I believe our role will continue to grow. Today, there are only three regulators who are ITU-D sector members. I am confident that more regulators will become ITU members in the years to come as we continue to respond to their needs.

We also challenge you to use this Development Symposium for Regulators to identify issues for future global forums. Some suggestions have been made. The Symposium programme includes segments on interconnection, gender perspectives, regulatory strategies to increase Internet connectivity, convergence and establishing an independent regulator. You may decide to continue the discussion on some or all of these issues. We also hope you will decide that other issues, perhaps IMT-2000 licensing, merit a future Symposium.

We also challenge you to use the Symposium to tell us what other kinds of products and services you would like us to provide. I know some of the keynote speakers will be talking about the creation of a regulators hotline, a proposal that will be discussed in greater detail in the last session on Wednesday, “Where do we go from here?” I am sure that many other worthy ideas will be floated in the coming days.

Whatever the ideas, we want to assure you that the spotlight is on you. We would also like to emphasize that this is not a formal meeting. We encourage all of you – whether you are on a panel or sitting in the audience – to speak out and engage your fellow participants in dialogue. We also encourage you to continue your dialogue during the coffee and lunch breaks and hope that you will continue your dialogue well after you leave Geneva.

In looking around the room, I suspect you may have noticed one other aspect that is different about this meeting. The private sector is not in the room. We realized that the very first regulators meeting would be more effective if participation were limited to

regulators and policy makers interested in establishing a regulator. Thus we decided to provide a venue in which regulators can establish a rapport with each other in the absence of industry participants.

But, as many of you have reminded me, regulation must also be based on an understanding of market reality. Thus we also realize the need to bring regulators and industry together. Therefore, I would like to announce that we plan to host a second regulator's meeting within the year that will launch a global dialogue between regulators and industry. We invite you to share any views you might have concerning our plan. In the meanwhile, some industry representatives will host a reception in your honour tonight. Invitations to a cocktail reception beginning at 18h30, hosted by TIA and Lucent, at the Hotel Intercontinental can be found in your pigeon-holes.

And now, I wish to train the spotlight on the regulators. It is my distinct pleasure to welcome three leading regulators, William Kennard of the FCC, Maya Shanker Verma of the Telecom Regulatory Authority of India and Cuthbert Lekaukau of the Botswana Telecommunications Authority. Ladies and gentlemen, let us first give a warm welcome to FCC Chairman William Kennard.