

**ITU**  
**GLOBAL SYMPOSIUM FOR REGULATORS**

Geneva, Switzerland, 8 – 10 December 2004

Opening ceremony

**The role of the regulator**

Speech by Mr. Marc Furrer, Director General of the Swiss  
Federal Office of Communications (OFCOM)  
on the occasion of Regulator's Day, December 8, 2004

(the spoken word takes precedence)

Secretary General,  
Mr. Touré,  
Ladies and Gentleman,  
Dear Colleagues,

Welcome and good morning!

Being the head of the Swiss Regulatory body, it is always a pleasure to welcome you here in Geneva on Swiss soil. Though I know that you did not come just to pay us a visit in our country, we still appreciate the fact that we can be the host country for so many international events here in Geneva.

The meeting of the world's regulators in Geneva at the beginning of December is a noble and important tradition – and I congratulate and thank the ITU for this effort.

Many people ask me why I continue to find the telecom market and telecom policy so interesting. Do you know what answer I give to these people? It is because you never know what is coming next in this market. Nothing is predictable. Who knows which ICT technology will have what effect on the market? How did we all get it so wrong with our prognoses of the 3<sup>rd</sup> mobile generation, how badly did we predict the development of powerline communications and how much do we really know about the changes that Voice over IP will bring? So we don't even know the problems which we will face in four or five years, let alone the solutions. We cannot know the regulatory challenges of the future. That is exciting, isn't it?

My approach towards regulation is therefore that we need an open regulatory framework for the telecom market. We need some principles, which we have to follow strictly way. In addition, we should create this open framework – which is adaptable in order to accommodate new technologies and which is technology neutral. Only in this way can we respond in a flexible and rapid manner to the needs of the market. Or let me use an analogy from the animal kingdom. The development of the technologies and of the market is like the hare – fast and impetuous. The regulators, in contrast, are a bit like a tortoise. So it is difficult to make rules for a game between the hare and the tortoise. That is the challenge for any regulatory policy.

And we regulators have to live with the fact that in the future we will be able to regulate and control less. Voice over IP, for example, is a communication platform which does not permit a great deal of regulation.

So there are three consequences for us regulators: Firstly, not to give up, but to concentrate our regulatory activity on the things that we can and should regulate. This automatically leads to lighter regulation.

What does that mean: In terms of spectrum management we must give the operators the possibility of buying or selling frequencies if they have a requirement or a surplus. Of course the spectrum authority must set clear guidelines regarding this kind of spectrum trading to avoid chaos and prevent speculation. The bands which are open and the approved applications must be clearly defined. It would, for example, make sense if those who bought WLL frequencies could now sell these to those who want to implement WiMax.

Second point: Licenses.

We should only license if it is really necessary. Licensing should certainly not simply be a method of raising funds for the ministry of finance. And licensing should not be an unnecessary obstacle for the market. But licensing will still be necessary for some use of the spectrum and the universal service. With this in place, a light regime with an obligation to register is sufficient.

Thirdly we have to enable new technologies and new platforms. We have to actively clear all the obstacles. In this way we increase competition and as a result we enable innovation. To take the example of Voice over IP again, we must get rid of the regulatory hurdles so that Voice over IP can have a chance on our market. We should not try to protect the classic telecom operator from this new competition. We thereby create competition between infrastructures, technologies and also between services. Our main consideration should always be the needs of the customer: Concerning transparency, unfair business practices and overreaching, and security. Although we do not know much about the future in the ICT market, one thing is certain: The regulators of the future must increasingly become enablers and facilitators of an open market. But they should be more and more aware of the limited possibilities which regulators are faced with concerning new technologies.

Having said all that, I am aware that many of my regulator colleagues are faced with a completely different situation to that in say Great Britain or Switzerland. I know that more than half of the Earth's population has no telephone or even access to a telephone. Almost a third of the people on the planet have never used a telephone. For all these people the discussions about Voice over IP, spectrum trading and WiMax are rather irrelevant. In the final analysis, all they want is an infrastructure. So it is our duty, especially those of us here in Europe, to help find solutions – meaning the financial resources – so that everybody on this planet has access to information, and therefore to knowledge. I hope that in the discussions at this symposium here in Geneva we also respect precisely these problems of development and cooperation.

Exactly a year ago, the first phase of the WSIS was held here in Geneva during which the topic of financing the ICT infrastructure was hotly debated. It is a real challenge and we are far from solutions! Monitoring the preparations for Tunis, the second phase of the WSIS, I have not been able to see significant progress towards solutions in this field since Geneva. I call upon all institutions, but particularly the United Nations, UNDP, ITU-D and the World Bank to improve their efforts and to make substantial proposals.

We have enough declarations, funds and political plans, but what these countries really need are concrete projects so that an efficient telecom infrastructure, and therefore a telecom market, can be constructed.

Only by enabling the financing of the infrastructure can a market with investment potential be created.

So let us not forget: The task for us regulators is not only regulating the network, but also finding ways for everybody to access ICT technology.

A technology which is the instrument for an inclusive and respectful information society!

Thank you for your attention.