ICT Regulation in the Digital Economy

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The views expressed in this presentation are those of the author and do not necessarily reflect the opinions of the ITU or its Membership.
ICT Trends and Development

Global ICT development, 2000-2010

- Mobile cellular telephone subscriptions
- Internet users
- Fixed telephone lines
- Mobile broadband subscriptions
- Fixed broadband subscriptions

Per 100 inhabitants

Source: ITU World Telecommunication /ICT Indicators database

*Estimates
ICT Trends: Impacts on Regulators

• What does all this mean for Regulators?
  – ICT sector is highly dynamic and rapidly changing, it is difficult to accurately predict or control how the market will develop
  – A deepening path of convergence within the ICT sector, as well as with other sectors of the economy, that promises benefits for citizens, but also poses new regulatory challenges
  – Must find ways to increase competition, encourage innovation and investment and protect consumers
    • An increasing reliance on competition laws in ICT markets, with certain areas requiring forward-looking regulation to prevent or promote certain outcomes
  – Increasing broadband deployment and use has become a key focus to achieving these objectives
Broadband: Promises and Challenges

- While broadband use is increasing, a large divide in broadband adoption remains
  - Where wireline infrastructure is not widespread, particularly in developing countries, mobile broadband is expected to play a crucial role in bridging the digital divide

- Reasons for non-adoption of broadband services
  - Lack of access
  - Costs
  - Digital literacy
  - Perceived relevance

Source: ITU World Telecommunication/ICT Indicators Database
ICTs are Causing Regulatory Approaches to Shift

• As part of the effort to harness dynamic markets, many regulators have begun to transition from *ex ante* towards an *ex post* regulatory environment
  
  – To encourage technical innovation, competition and market development, policy makers have increasingly implemented *ex post* rules, while imposing targeted *ex ante* rules to account for market failures, particularly regarding access to broadband infrastructure

• *Ex post* regulation requires competition laws that are effective, enforced and suited to the country’s needs
ICTs interact with every other sector of the economy.
Continued and New ICT Regulatory Challenges

- Cost
- Privacy
- E-Waste
- Cyber Security
- Digital Piracy
- Access

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Cooperation among Regulatory Authorities in Different Sectors

- Due to the influence of ICT technology and service convergence on all other sectors,
  - ICT regulators are in a special position to ensure that the benefits of ICTs reach throughout the economy
  - ICT regulators should consider ways to increase cooperation with regulators and policymakers from other sectors
Cooperation among Regulatory Authorities in Different Sectors

Environmental Agencies
- Smart grids
- Reduction of e-waste

Health Agencies
- M-health
- Telemedicine

Education Agencies
- Broadband connectivity
- 1 laptop, 1 child

Finance/Banking Agencies
- M-banking
- E-money

Law Enforcement Agencies
- Digital piracy
- Lawful interception

Cooperation of ICT regulators with regulatory authorities across sectors
Thank you!

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