



Jakarta, 14 May 2008

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International Telecommunication Union
Place des Nations
CH-1211 Geneva 20
Fax : - 41 22 730 6453

Our Ref : ~~301~~ -M/DJPT.6./Kominfo/5/2008

Subject : Re-Update on fourth World Telecommunication Policy Forum
(WTPF)

Dear Mr. Gunderson,

Referring to your letter Ref: DM-08/1002 dated 30 March 2008 regarding the above mentioned subject, we have the pleasure to inform you the Indonesia Comments on the First Draft of the Secretary General's Report for the forth WTPF 2009 on Convergence and Emerging Policies Issues (please see the attached comments).

Thank you for your attention and cooperation.

Yours Sincerely,

A handwritten signature in black ink, appearing to be 'Ikhsan Baidirus', written over a circular stamp or seal.

Ikhsan Baidirus
Deputy Director General for International Affairs

CC.: Director General of Posts and Telecommunications

Comments on First Draft of the Secretary General's Report

for the Fourth WTPF 2009 on Convergence and Emerging Policy Issues

Referring to the first draft of the Secretary General's Report for the Fourth WTPF 2009 on Convergence and Emerging Policy Issues, Indonesia would like to raise several comments regarding some unaddressed issues as follows:

1. Convergence of Telecommunications and Broadcasting

As:

- Technology and market trends are transforming and affecting both the telecommunications and broadcast distribution industries
- Many of the major players in the telecommunications industry are also tend to be the major players in the broadcasting industry

We propose that for chapter 5 (Emerging Telecommunication Policy and Regulatory Issues), policy on telecom and broadcasting convergence is also addressed.

2. Market Structure & Business Model

As:

- Convergence affects the market structure (Strategic alliances (Content, Media, etc.), Mergers and acquisitions, Consolidation) and
- Creates new business model,

We propose that these issues can be addressed in chapter 2 (An Era of Convergence).

3. Scarce Resource

Frequency & numbering have important roles in convergence scenarios. As these are scarce resources, it should be used optimally.

We propose that this issue can be addressed in chapter 1.10 (Challenges for the future).

4. Abusive contents

The easiness for people to create contents and upload it to the Internet to be viewed by people all around the globe has been increasing the number and variety of contents available. It encourage people to create their own contents which unfortunately sometimes considered as abusive to certain groups or community. Is there any way or regulation to prevent such contents to be uploaded without at the same time jeopardizes free expression principles?

Apart from the issue of Protection for Minors (chapter 5.3.1), we propose that this abusive contents issues can be addressed in chapter 5.3 (Strengthening Trust and Security).

5. Competition Policy

The increasing number of players has intensified the competition. Technology convergence will also widening the scope of industry, which originally can be easily divided into several sectors.

Competition policy will be another increasing issue, what should we choose to address this issue? Sector specific or general competition policy. In what situation we should choose the sector specific competition policy and vice versa.

We propose that this issue can be addressed in chapter 5.2 (Regulatory and policy issues raised by NGNs).

6. Capacity Planning

In Indonesia, decreasing tariff for certain services due to fierce competition among operators leads to the explosion of traffic which causing domestic capacity issues and decreasing quality of service. The increasing popularity of bandwidth intensive applications such as YouTube or Flickr that mostly located in the US or other developed countries leads data traffic increase for international backbone. In the era of convergence, the network will deliver not only voice or data, it will be needed also to deliver everything. The need for better infrastructure (more efficient, higher capacity, easier to deploy) should be discussed more deeply.

We propose that this issue can be addressed in chapter 3 (Next Generation Network)

7. Promoting Infrastructure Sharing

Capacity issues as well as contingency plan to increase network reliability lead to the need for infrastructure sharing among operators. Infrastructure sharing should be encouraged since it can effectively accelerate network capacity expansion as well as avoiding unnecessary double investment. However, infrastructure sharing should be based on mutually benefited agreement among parties involved.

We propose that this issue can be addressed in chapter 5.2 (Regulatory and policy issues raised by NGNs).

8. Interconnection

Interconnection in the age of convergence will be different to the current per minute voice based regime. There are several issues need to be address in interconnection, for example, what measurement that will be imposed (time based, data sized based, band width based)? How to measure the interconnection traffic and ultimately what charging method that will be imposed (cost based, revenue sharing, bill and keep)?

Interconnection is the heart of competition in telecommunication. But interconnection is not such a complicated issue in Internet. How to manage this very basic nature of both industries when the convergence actually emerges?

We propose that this issue can be addressed in chapter 5.2 (Regulatory and policy issues raised by NGNs).