

**Regional Seminar on the Economic and Financial aspects of
Telecommunications Study Group 3 Regional Group for Latin
America and the Caribbean (SG3RG-LAC)**

Asunción, Paraguay, 13-14 March 2012

Tariff Policies Trends

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IEE Department/Telecommunication Development Bureau
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Reaching the next billion

30 years for
reaching 6 billion
mobile cellular
subscriptions

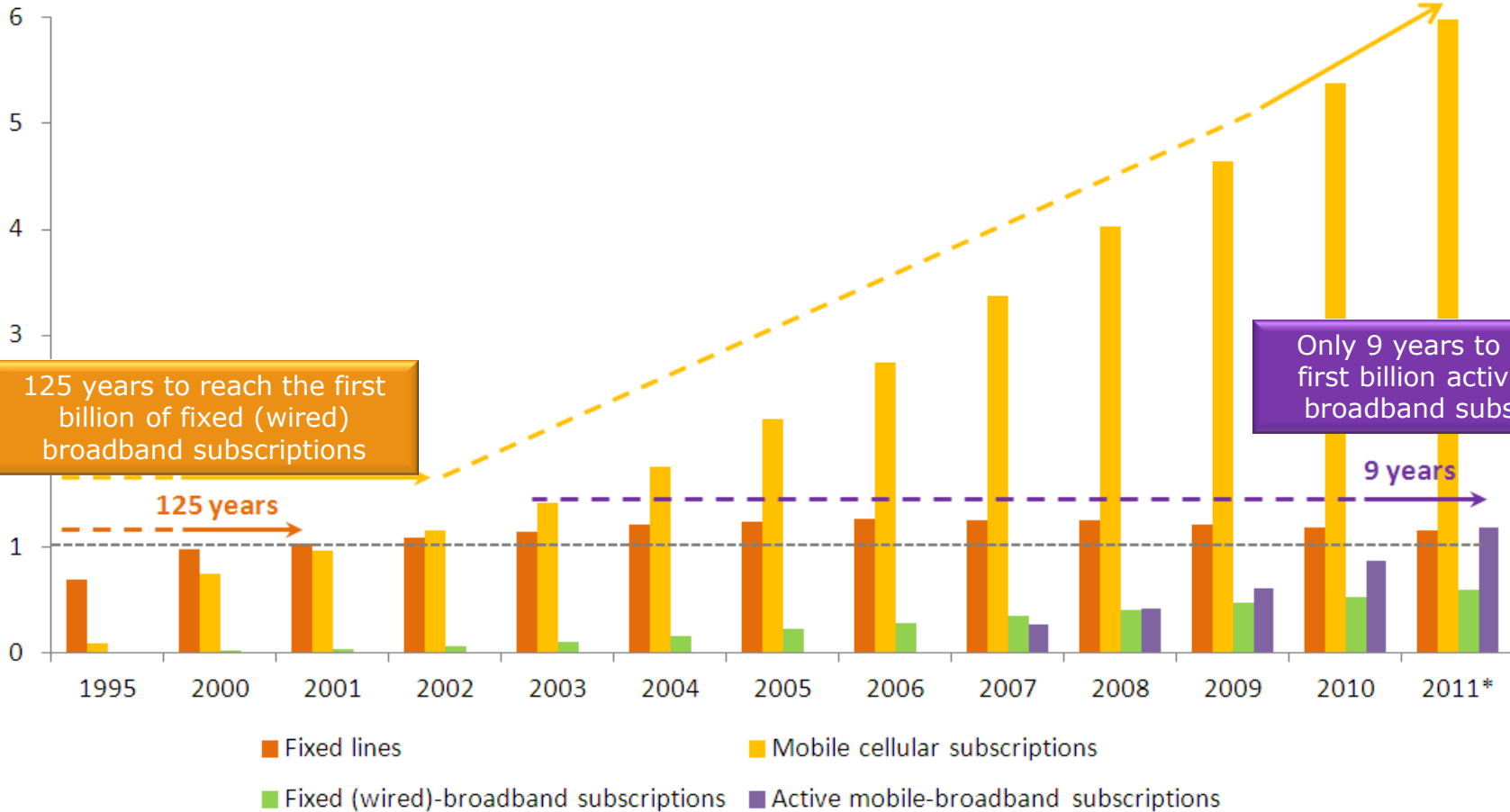
30 years

Only 9 years to reach the
first billion active mobile-
broadband subscriptions

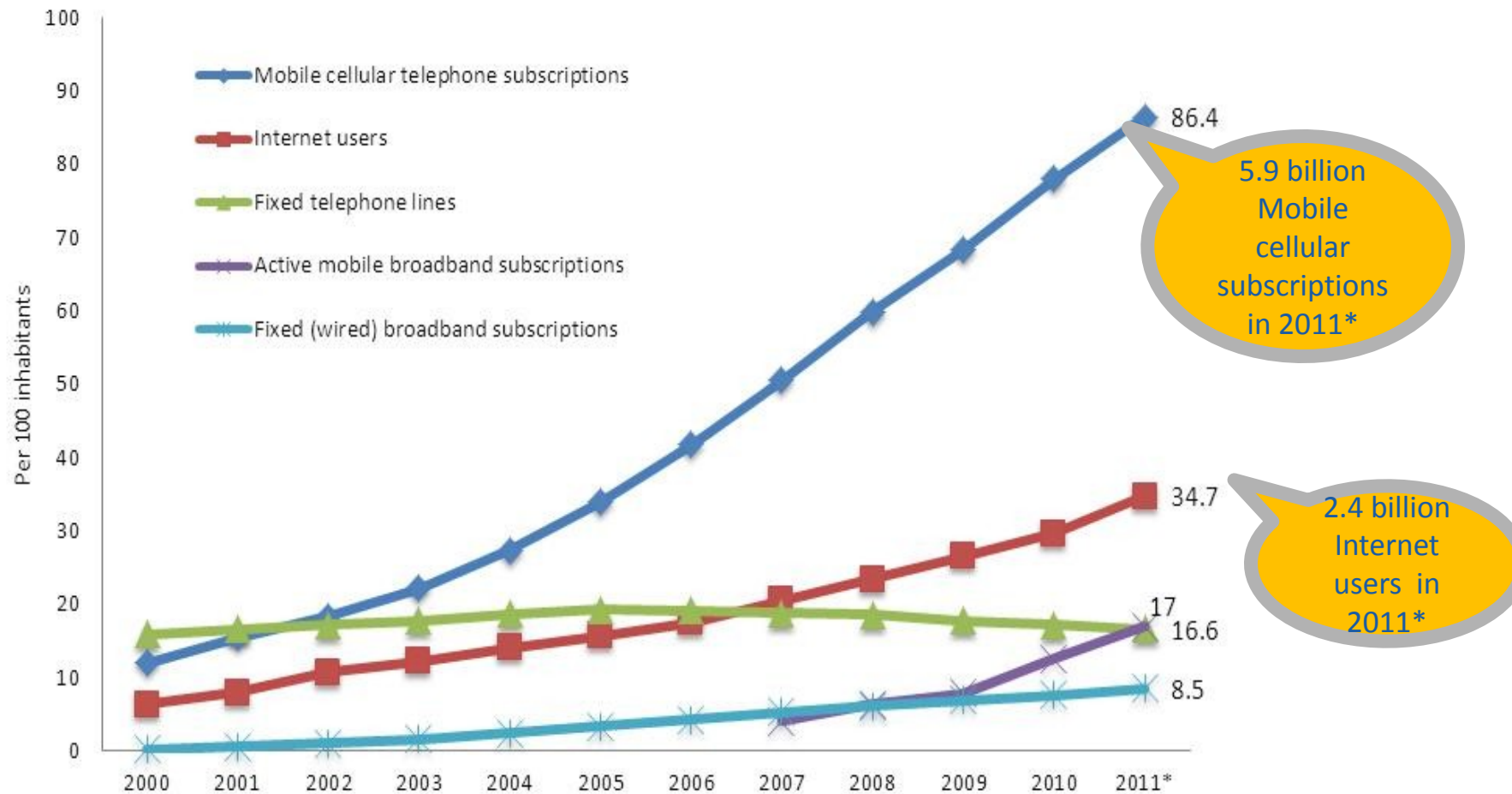
9 years

125 years to reach the first
billion of fixed (wired)
broadband subscriptions

125 years



Global ICT developments, 2000-2011

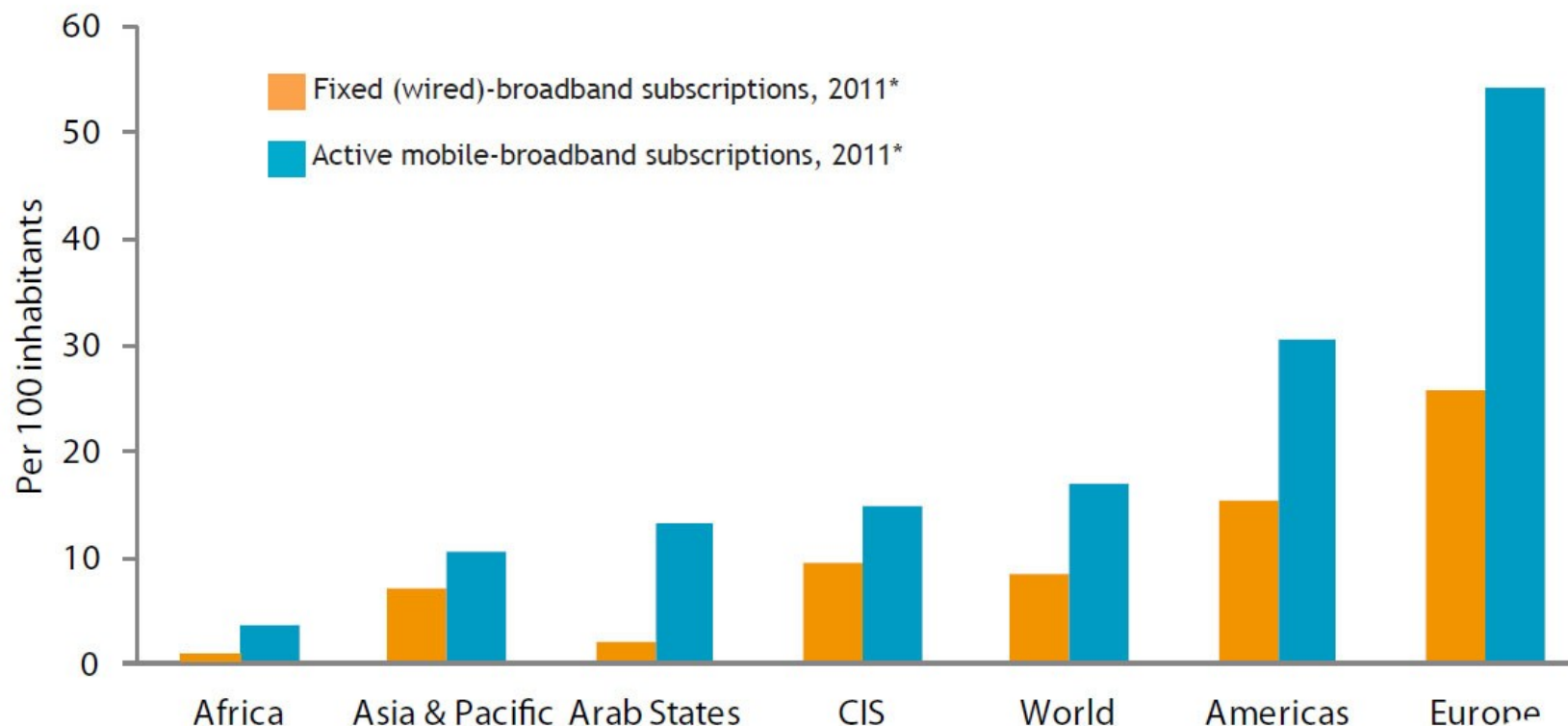


*Estimate

Source: ITU World Telecommunication /ICT Indicators database

The Global situation of Broadband

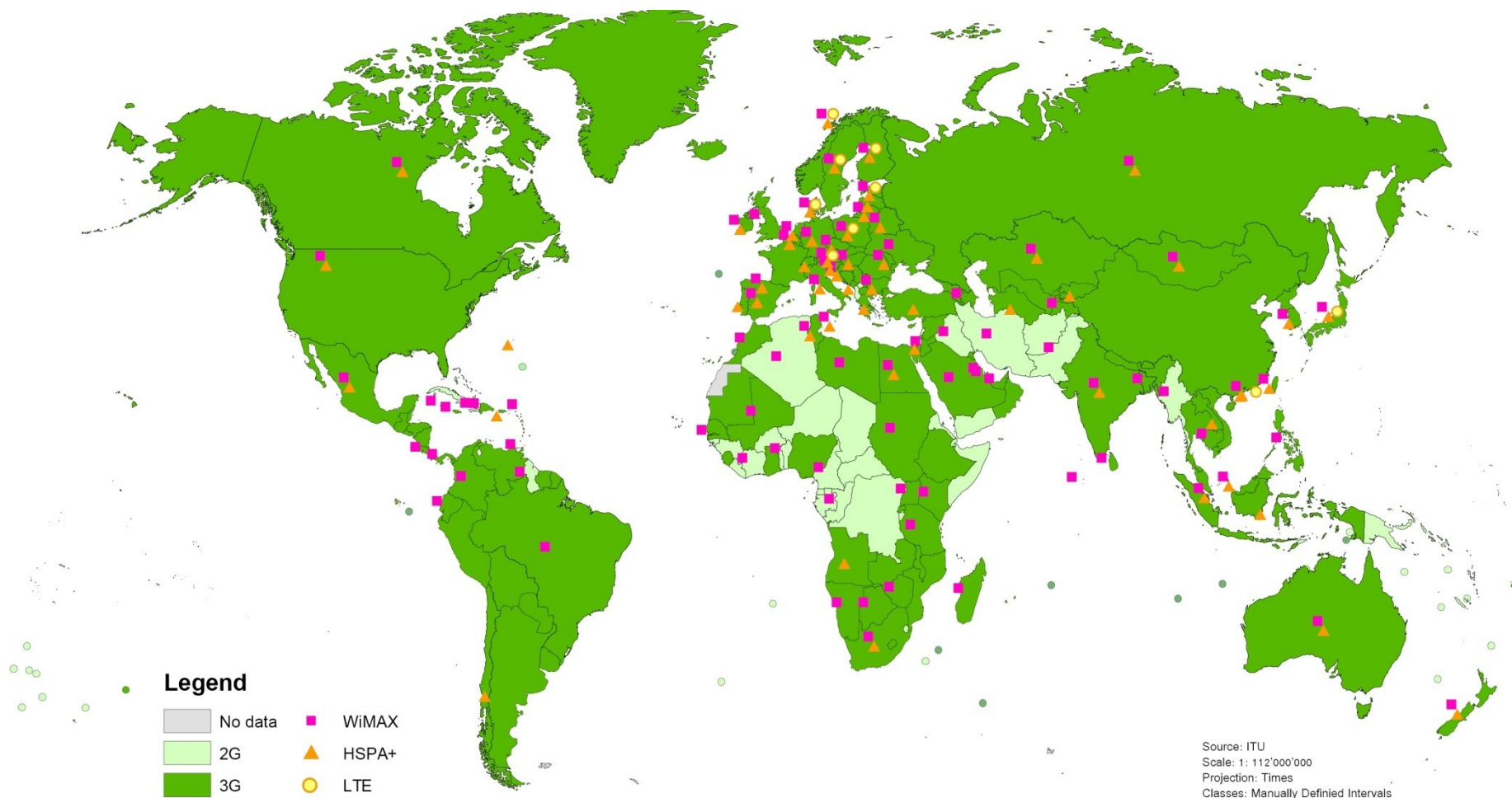
The World in 2011 — ICT Facts and Figures



Note: * Estimate

Source: ITU World Telecommunication/ICT Indicators database

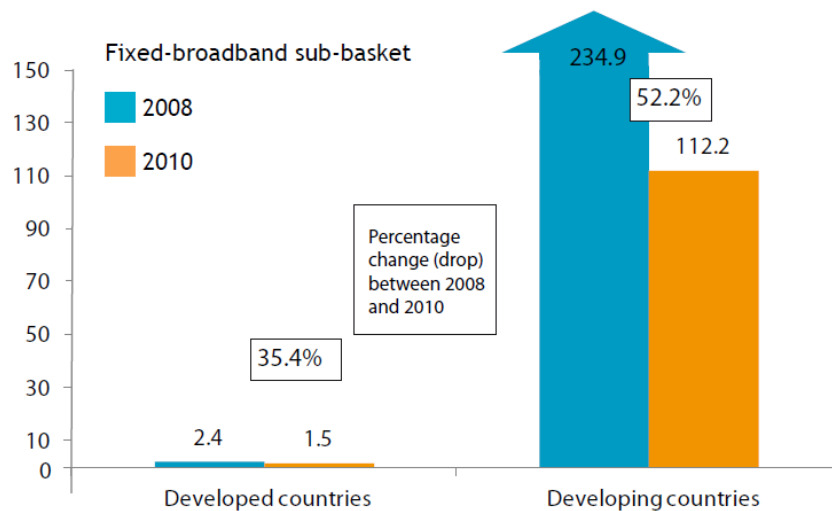
Availability of Mobile broadband, 2010



Denominations and classifications employed in these maps do not imply any opinion on the part of the ITU concerning the legal or other status of any territory or any endorsement or acceptance of any boundary.

Fixed Broadband Prices

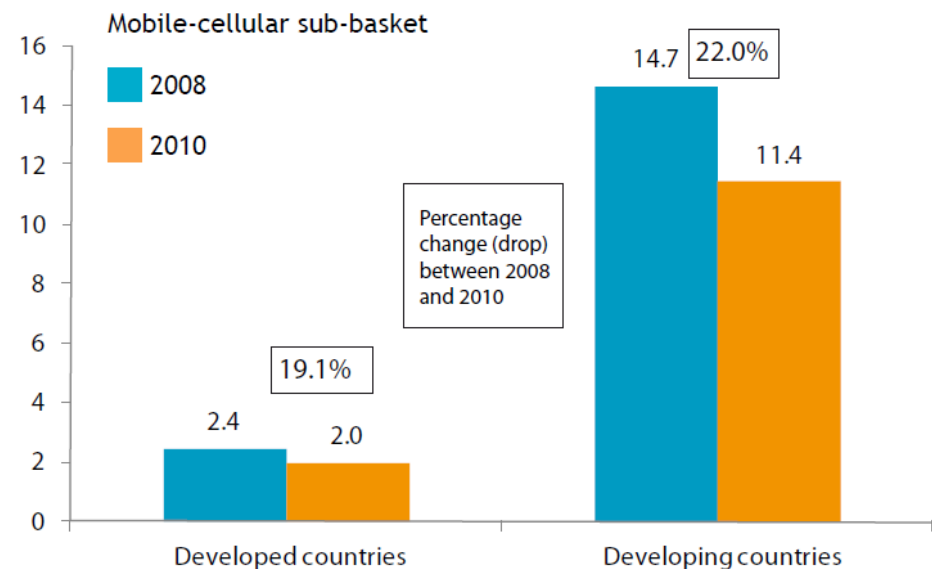
drop by over 50% in just two years in developing countries



Source: ITU Measuring the Information Society (2011)

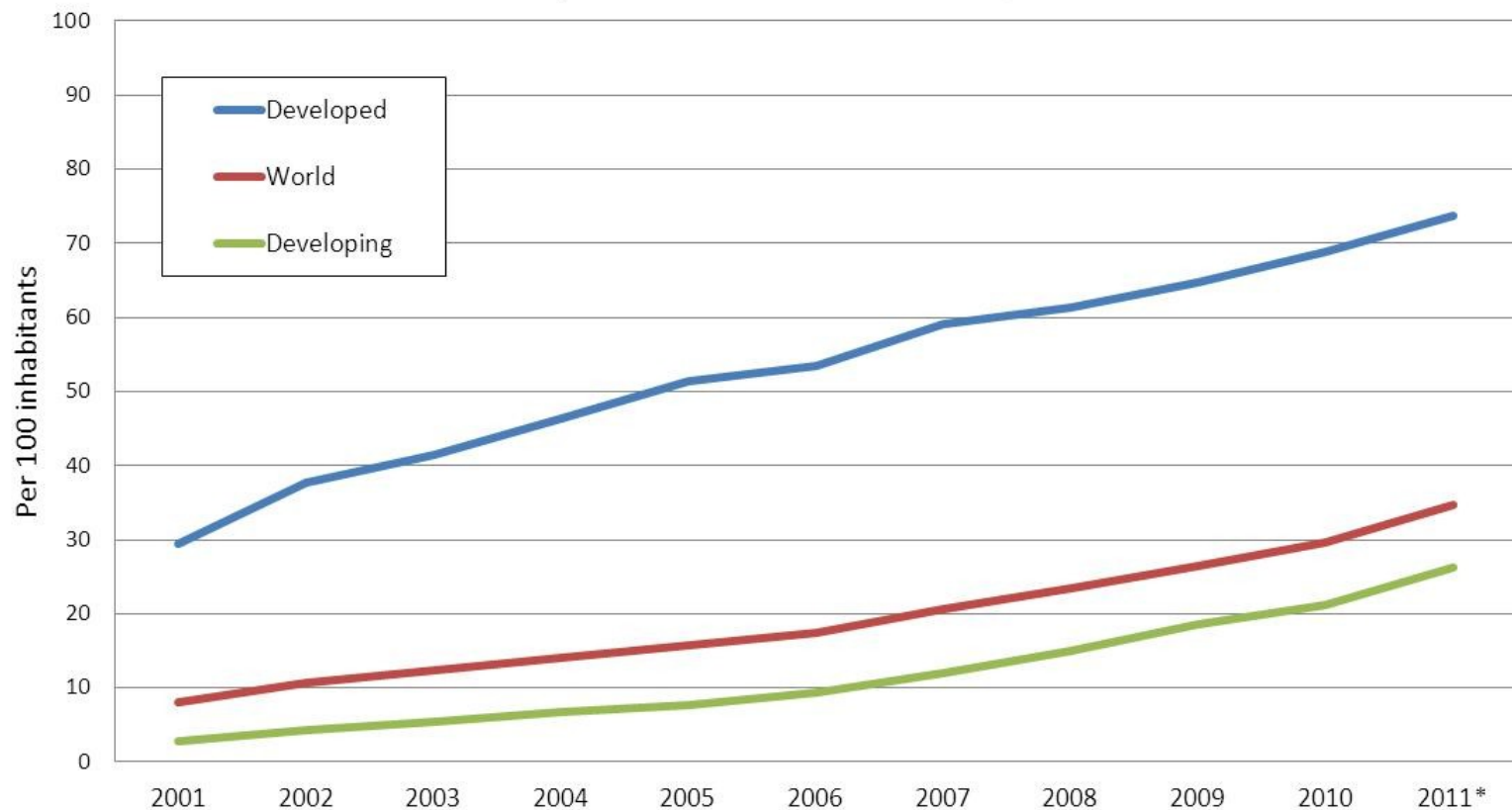
¹ The ITU ICT Price Basket is a composite measure based on three tariff sets — fixed-telephone, mobile-cellular and fixed-broadband Internet services — and computed as a percentage of average GNI per capita.

The ITU ICT Price Basket ¹ shows that between 2008 and 2010 ICT services have become more affordable and relative prices came down by an average of 18%, globally.



Internet is growing... but one third of the population isn't connected in 2011

Internet users per 100 inhabitants, 2001-2011*



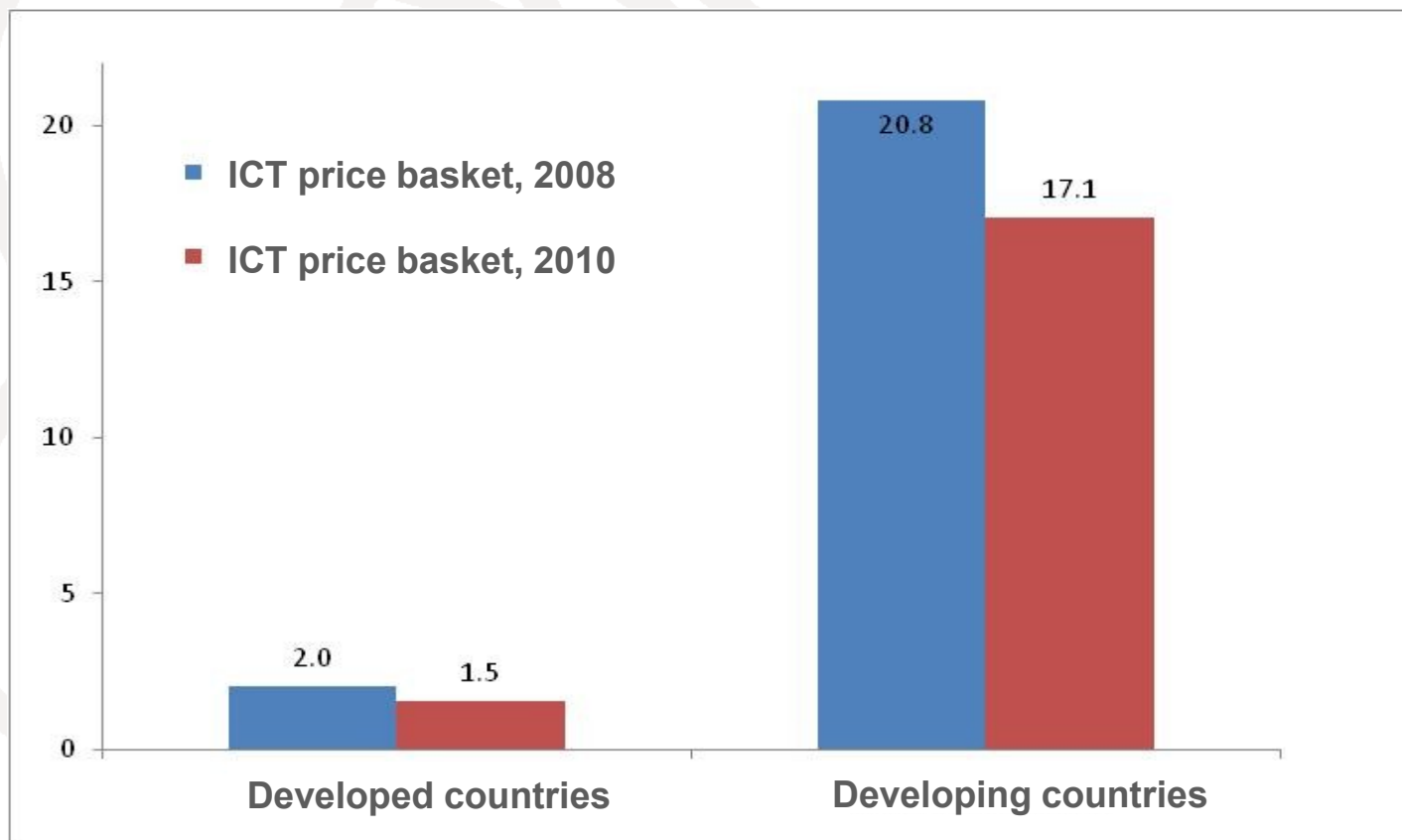
* Estimate.

The developed/developing country classifications are based on the UN M49, see:

<http://www.itu.int/ITU-D/ict/definitions/regions/index.html>

Source: ITU World Telecommunication /ICT Indicators database

The bad news is that developing countries pay more....

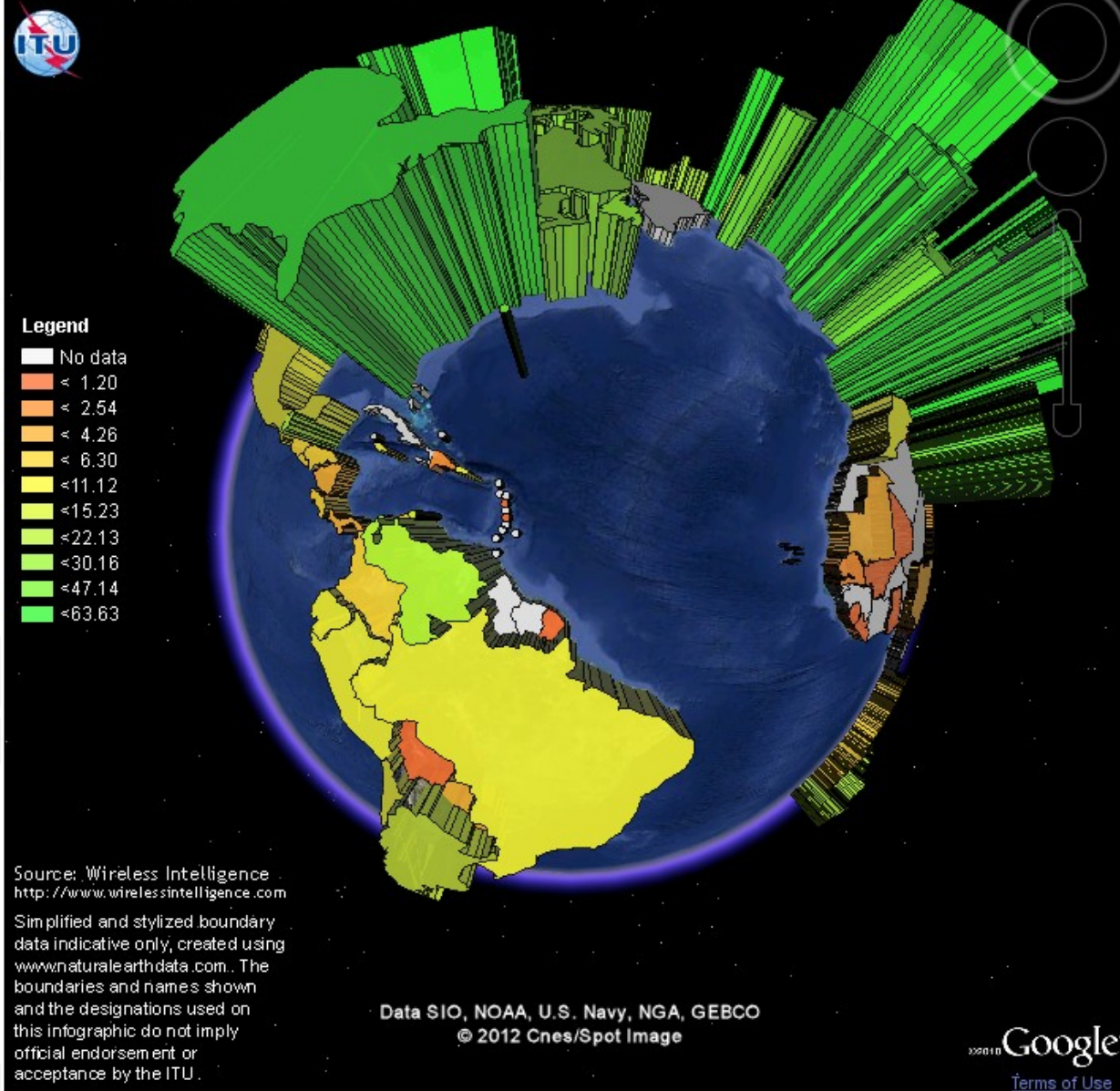


Source: ITU ICT Indicators database

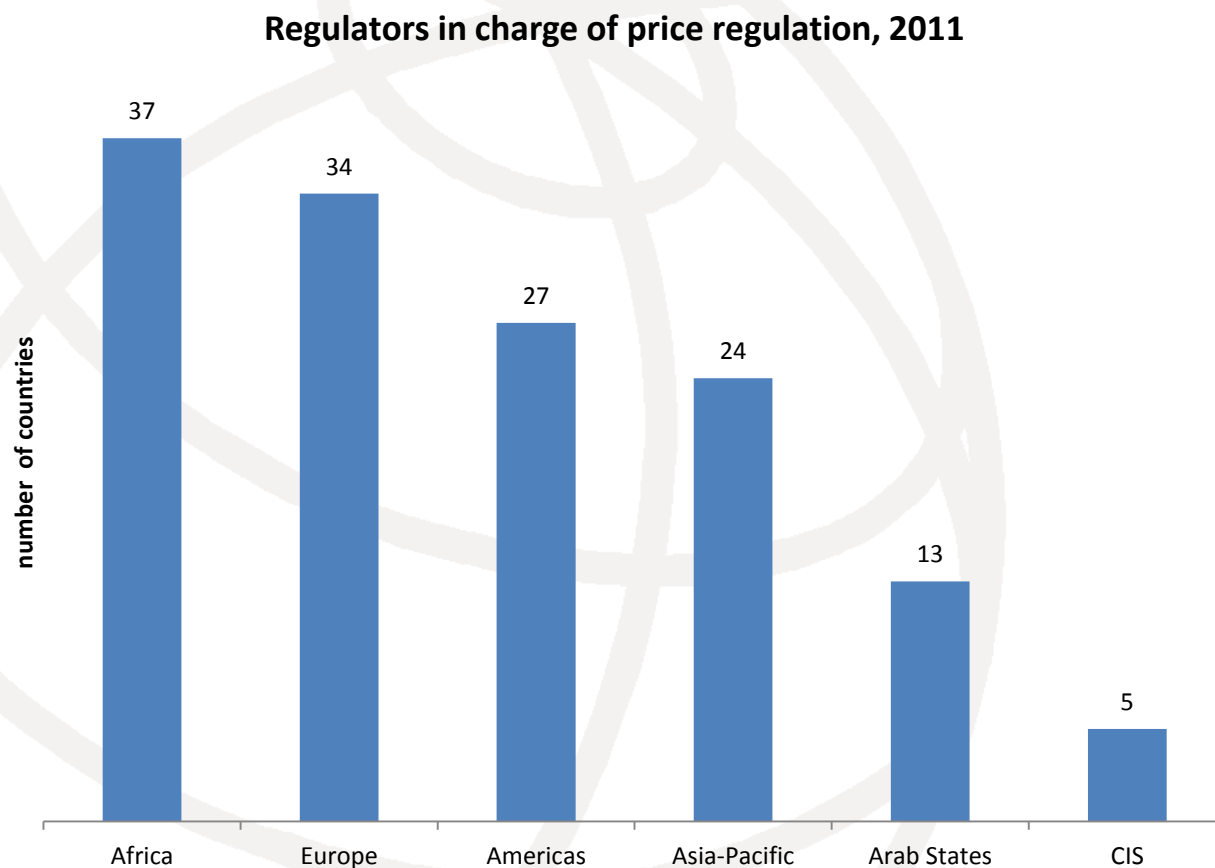
Note About the IPB

ITU's ICT Price Basket (IPB) is a composite affordability measure based on three sub-baskets – fixed telephone, mobile cellular and fixed broadband Internet services – and computed as a percentage of average Gross National Income (GNI) per capita. As a comprehensive benchmarking tool, the IPB monitors the relative price of ICT services and provides an indication of how affordable services are across countries, and over time.

Mobile Broadband Penetration, 2010



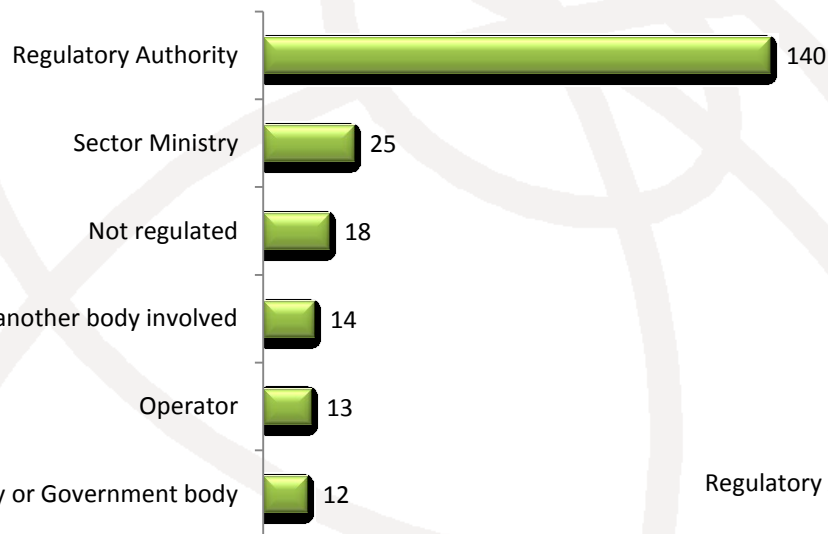
What about costs and tariffs regulation...?



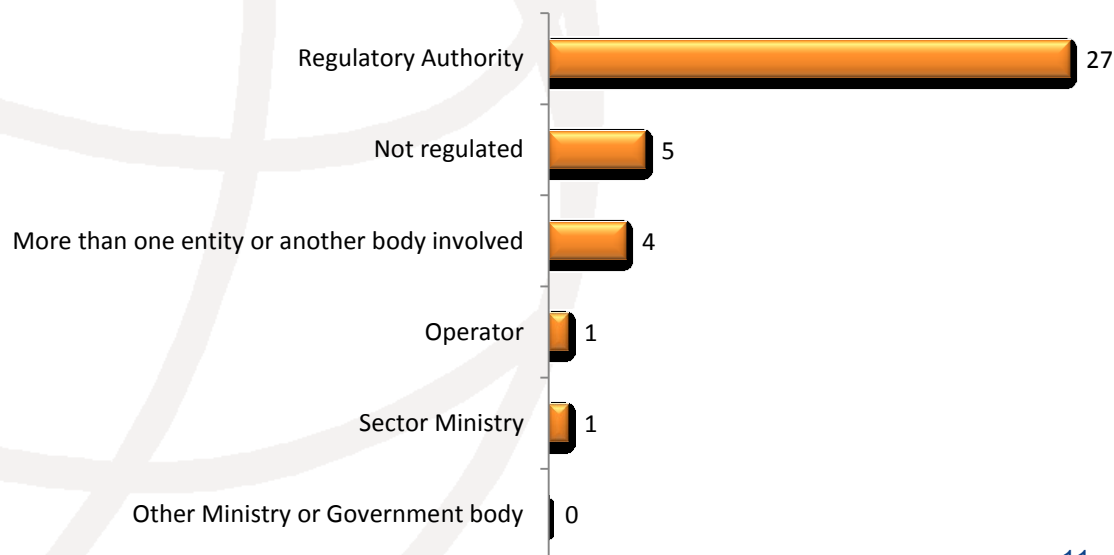
What about tariffs and price regulation...?

Who is responsible for price regulation?

World, 2011

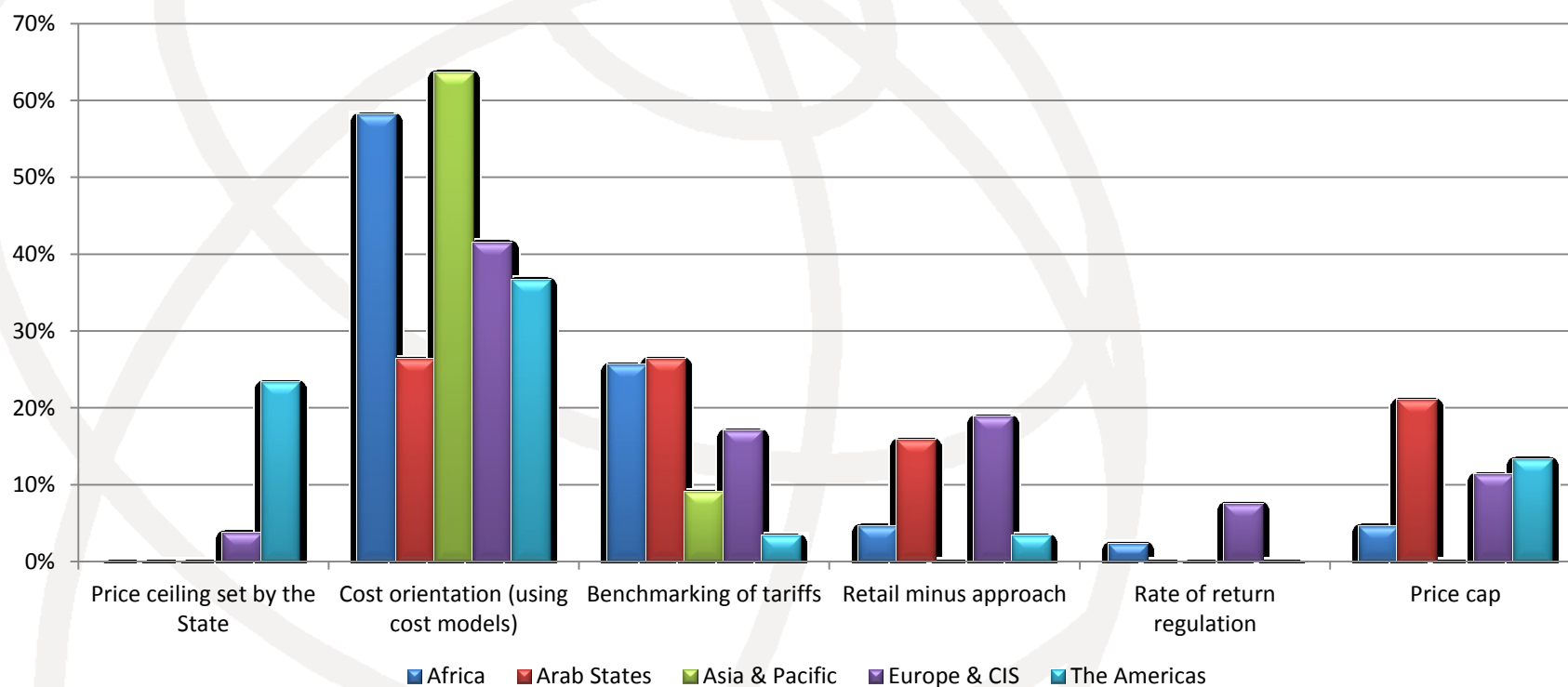


Americas, 2011



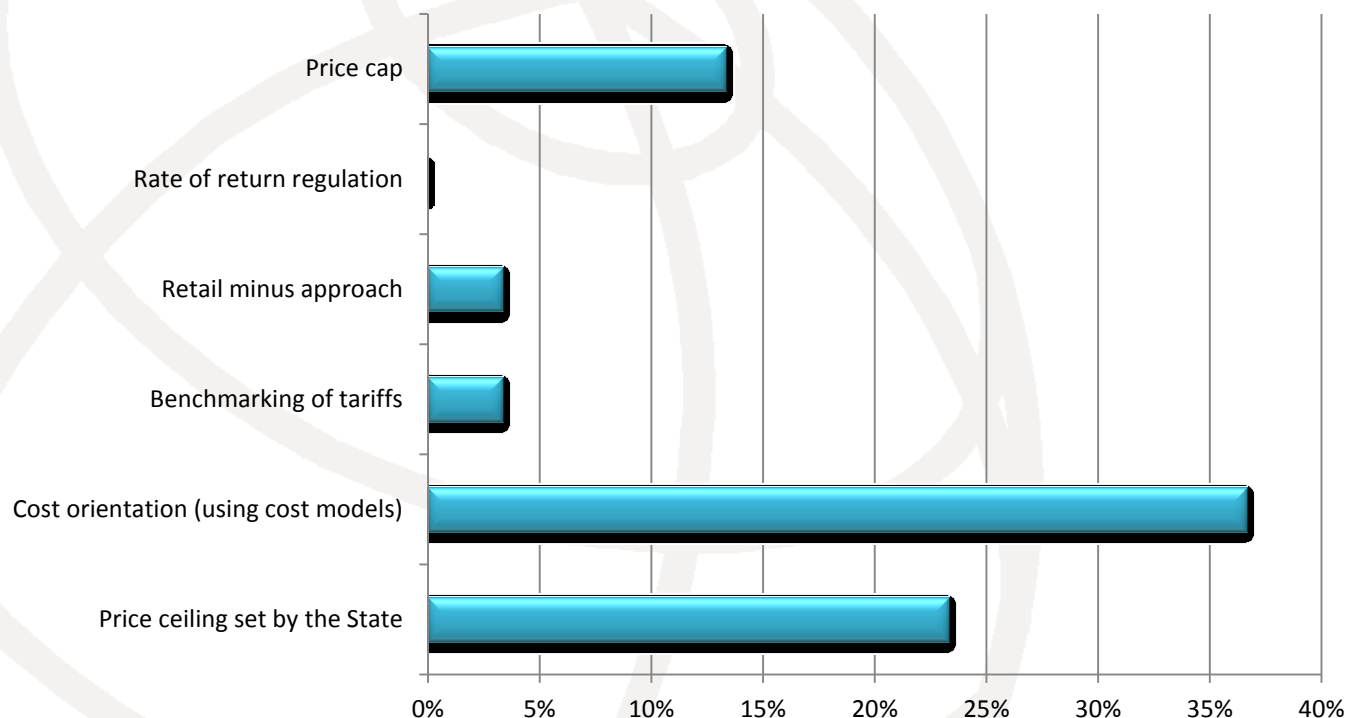
How are the wholesale tariffs of services regulated?

Wholesale Services - World, 2011



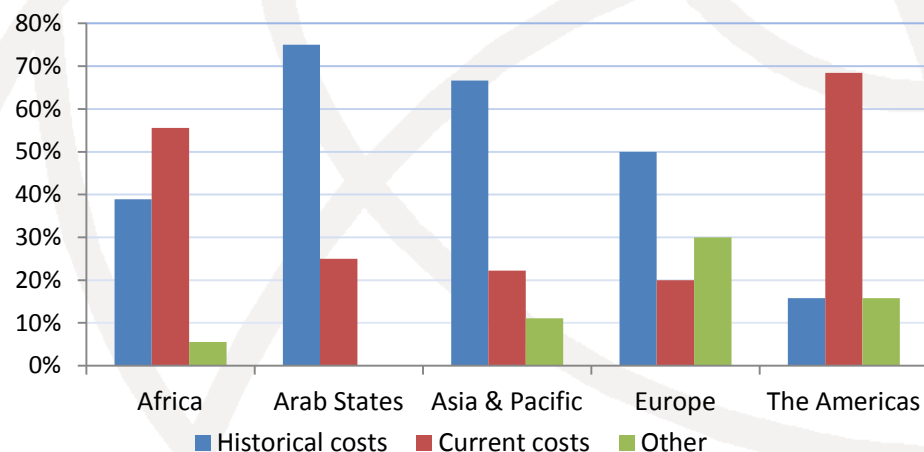
How are the wholesale tariffs of services regulated?

Wholesale Services - Americas, 2011



Type of cost on which cost models are based

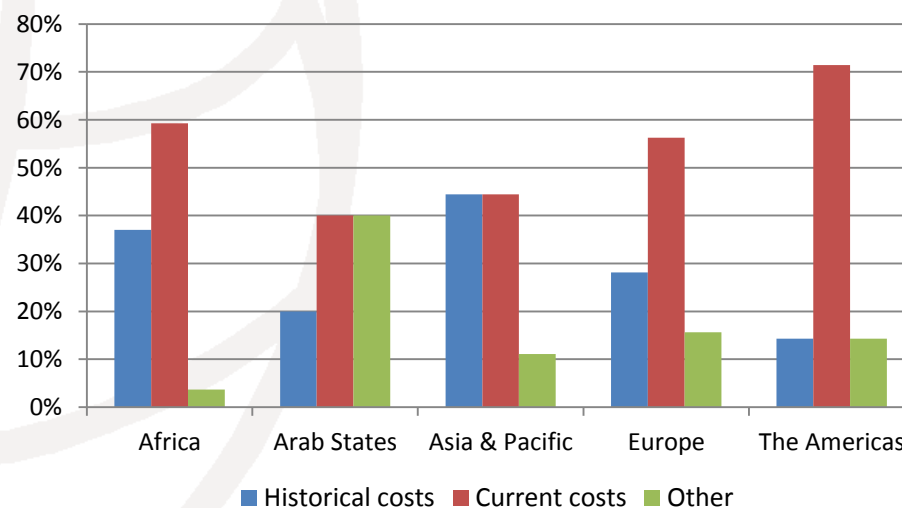
Retail services



Source: ITU Tariff Policies Database, www.itu.int/icteye

America and Africa are mostly using current cost for retail services

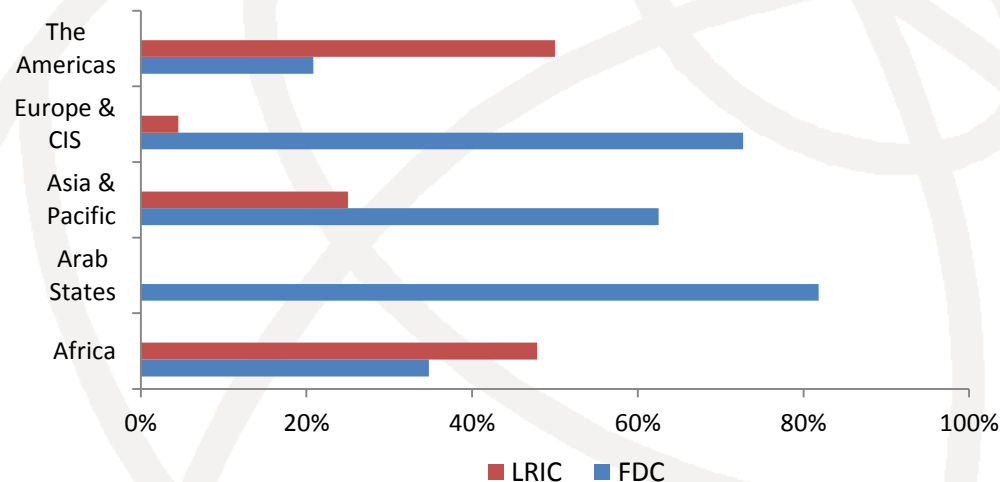
Wholesale services



Source: ITU Tariff Policies Database, www.itu.int/icteye

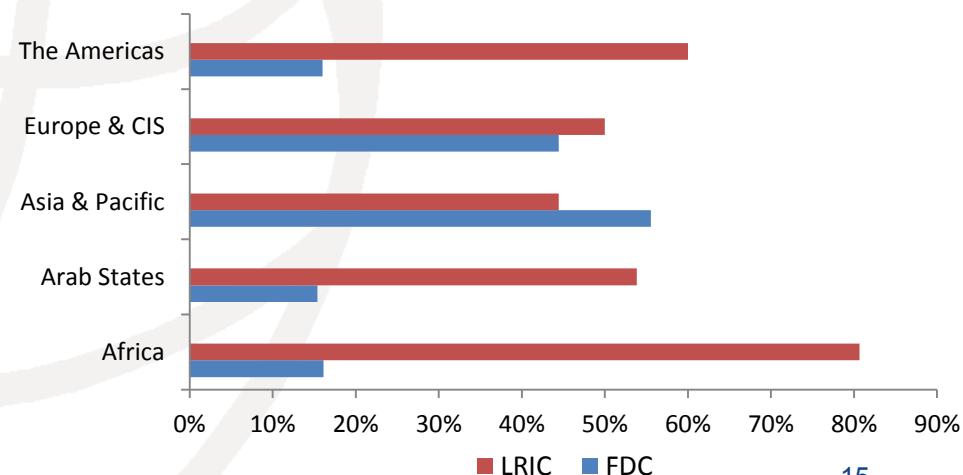
Which concept is used as the basis for calculating telecommunication service tariffs?

Retail telecommunication services



Source: ITU Tariff Policies Database, www.itu.int/ict/e




Wholesale telecommunication services



Source: ITU Tariff Policies Database, www.itu.int/ict/e

www.itu.int/icteye

International Telecommunication Union - BDT

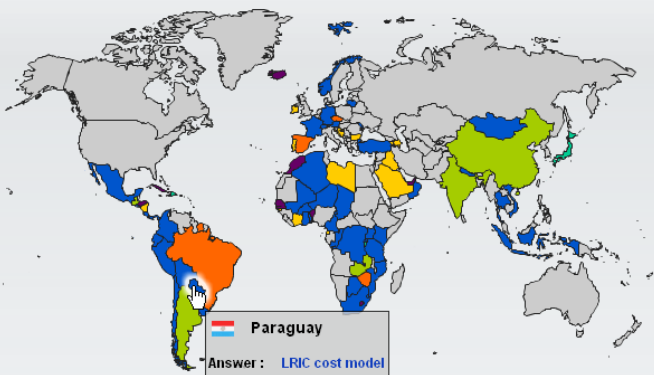
ITU ICT EYE
[ICT Statistics](#)
[Regulatory Information](#)
[Tariff Policies](#)
[Scientific Institutions](#)
[WSIS Stocktaking](#)

ITU ICT EYE | [REPORTS](#) | [SURVEY LOGIN](#)

Welcome to ITU's ICT Eye
 ITU, the UN specialized agency for telecommunications, has its "eye" on ICTs and is recognized around the globe as the leading provider of timely and comprehensive telecommunication/ICT statistics and trends. The ICT "eye" website is a one stop-shop for ICT information and provides telecommunication/ICT indicators and statistics, regulatory and policy profiles, national tariff policies and scientific institutions, and much more...

News
25 May 2010
 New website launched with an [interactive data map](#) and [dynamic reporting](#) for creating your own reports.

Latest year: **2010**
 Select country/economy: **Paraguay**
 Regulatory Information
 ICT Statistics
 Tariff Policies
 ▶ Tariff rebalancing
 ▶ Regulations for use of IP
 ▶ Concept dominance
 ▼ Interconnection
 ▶ Interconnection charging
 ▶ Interconnection charging
 ▼ Approach used to regulate interconnection prices?
 ▶ LRIC cost model
 ▶ FDC cost model
 ▶ Benchmarking
 ▶ Other
 ▶ None
 ▼ Approach used to regulate interconnection prices?
 ▶ LRIC cost model
 ▶ FDC cost model
 ▶ Benchmarking
 ▶ Other
 ▶ None
 ▶ Next Generation Network systems
 ▶ Types of cost
 ▶ Determination of price

Which approach do you use to regulate interconnection prices? [Mobile termination]

Paraguay
 Answer : **LRIC cost model**
 Year : **2010**
 Legend:
 ■ LRIC cost model
 ■ FDC cost model
 ■ Benchmarking
 ■ Other
 ■ None
 ■ More than one category applies

Done

Trusted sites

Join us at:

GSR12: Why regulate in a global networked society?

When: 2-4 October 2012
Where: Colombo, Sri Lanka
Who: ITU & TRC Sri Lanka



www.itu.int/gsr12

Broadband Universe – New ITU portal



Committed to Connecting the World

Broadband Universe - ITU Portal

Highlights

Off the shelf

- The World in 2011: ICT Facts and Figures
- Smart regulation in a broadband world, GSR11 discussion papers
- Trends in Telecommunication Reform 2010-2011
- More publications...

News Magazine



Events



Video



Newsroom



Infographic Blog

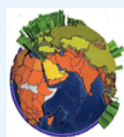
- ITU Newslog with latest info on broadband

Follow us on tumblr. | **now available!** |



Broadband Atlas

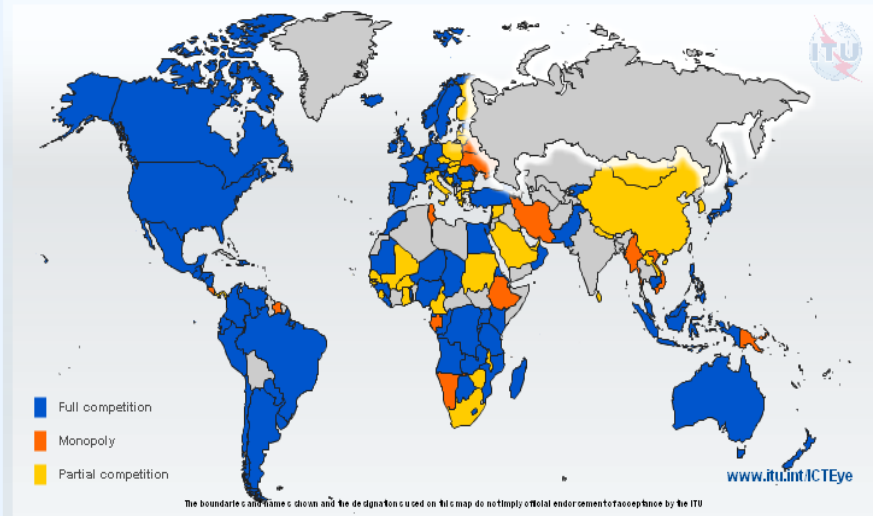
- New interactive 3D tool on broadband deployment
- Thematic broadband maps | **coming soon!** |



Interactive B - Tool

National Broadband Plan	Pricing	Competition	Universal Access/Service	B-stats	Full screen
IMT2000 (3G, 4G)	Fixed wireless broadband	Cable	DSL	More Options	

Level of competition in mobile broadband services



Snapshots



Trends & Tips

- Trends Overview
- What to B next
- I plan 2 B



Resources

- ITU Activities | **TOP RATED !** |
- Online ITU Resources
- External Resources

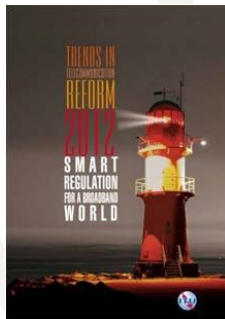


Initiatives

- Broadband Commission
- ITU Broadband Website
- Broadband Leadership Summit



Coming Soon!



ITU Reports

Trends in Telecommunication Reform 2010-2011: Enabling Tomorrow's digital world

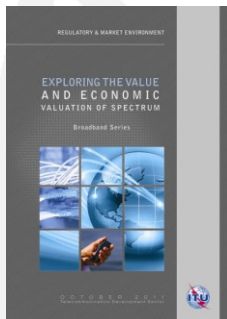
Trends in Telecommunication Reform 2012 : Smart Regulation in a broadband world (To be released in 2012)

- Setting national broadband policies, strategies and plans
- Open access regulation in the digital economy
- Strategies for financing universal broadband access
- The regulatory landscape for mobile banking
- Broadband Enabled Innovation
- Intellectual Property Rights in today's digital economy
- Confronting The Social Media Regulatory Challenge
- e-Waste: whose responsibility?

www.itu.int/ITU-D/treg/publications/index.html

Broadband Thematic reports in 2011:

- Regulation of global broadband satellite communications
- Exploring the value and economic valuation of spectrum
- Understanding the impact of broadband on national and global economies
- Regulating broadband services pricing



MUCHAS GRACIAS!

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