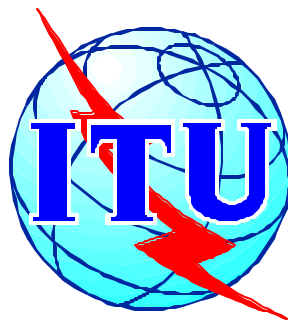
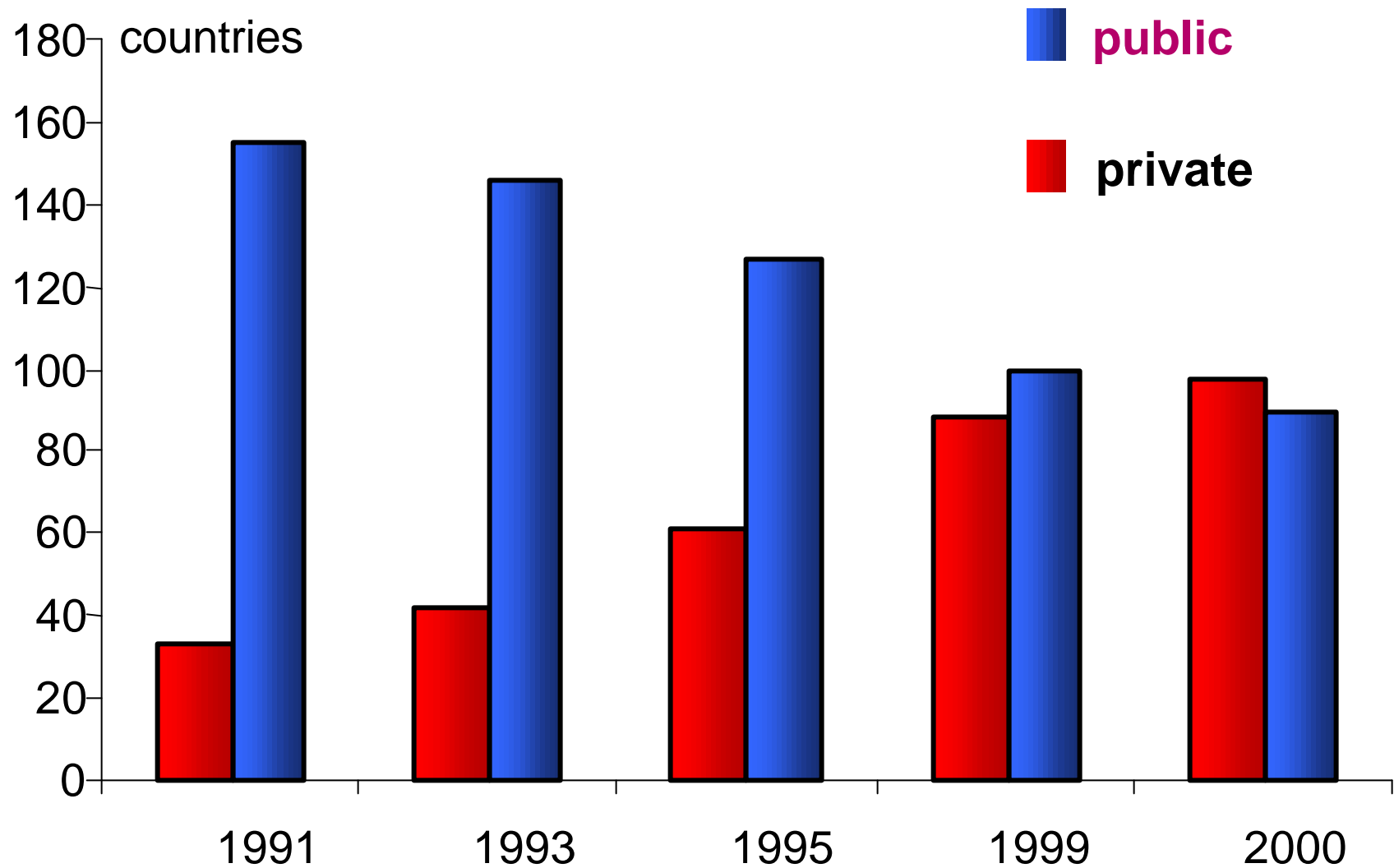


Global Trends in Market Reform

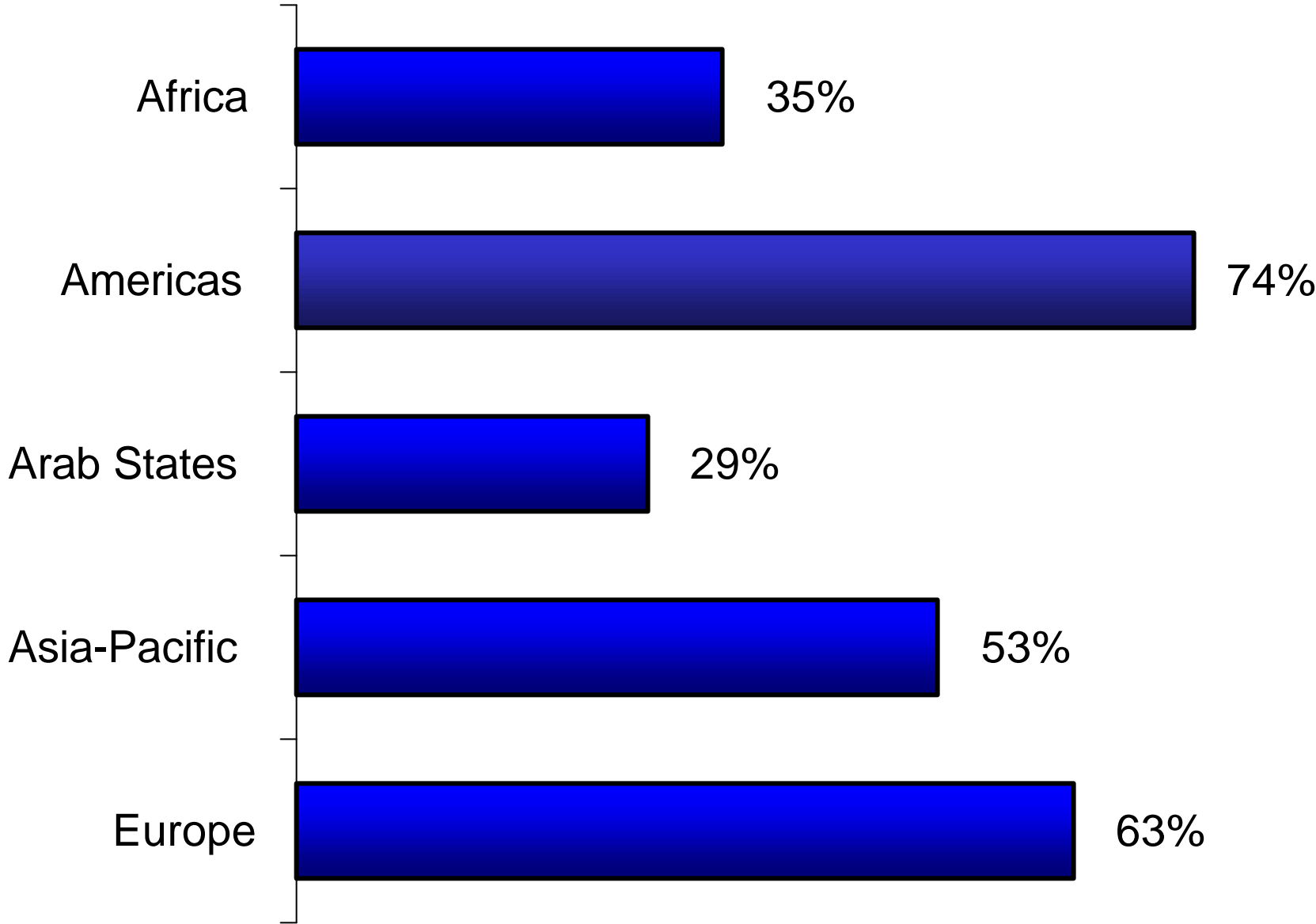
**Ben Petrazzini
Strategies and Policy Unit
UIT - ITU**



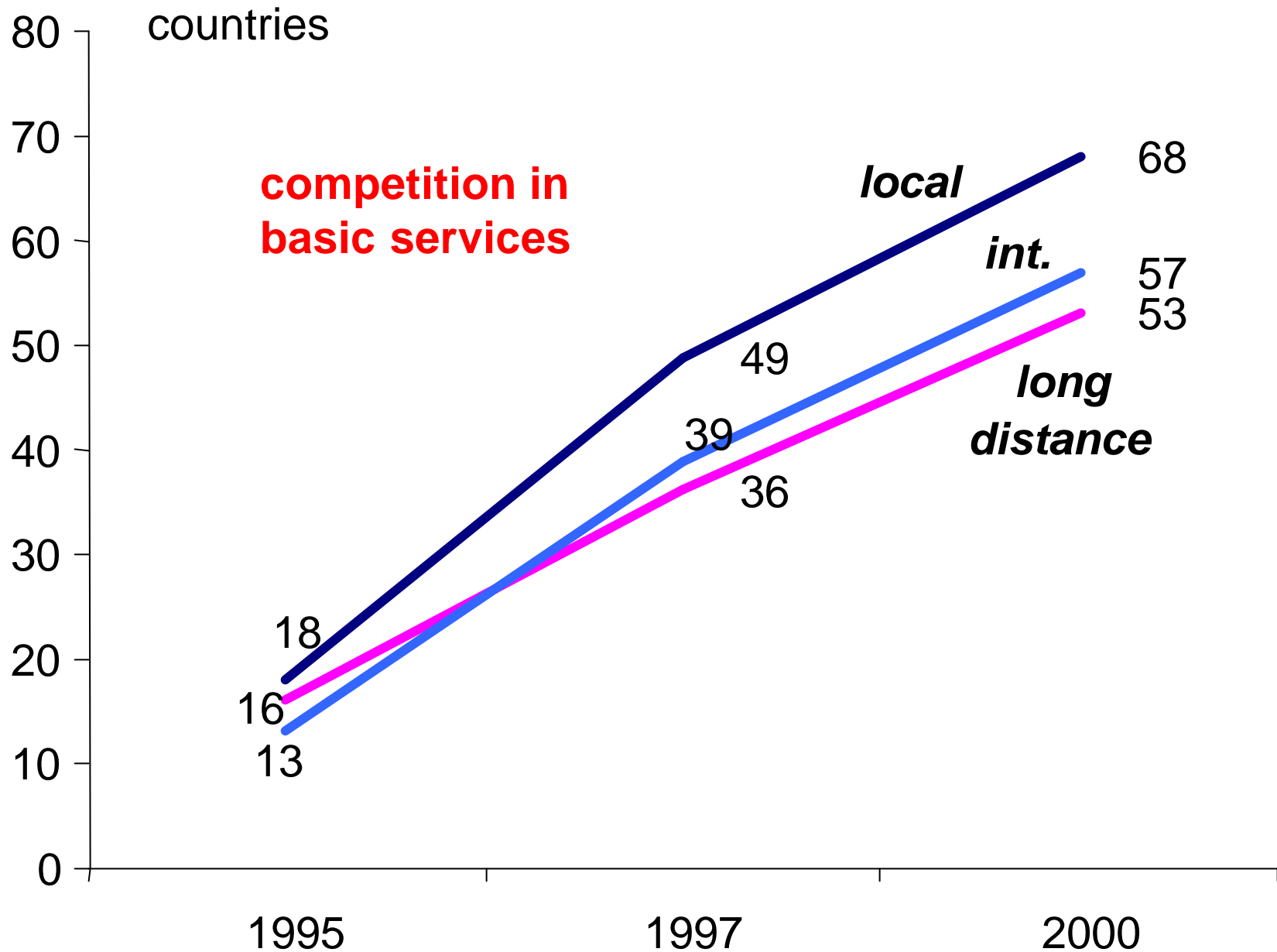
World ownership trends



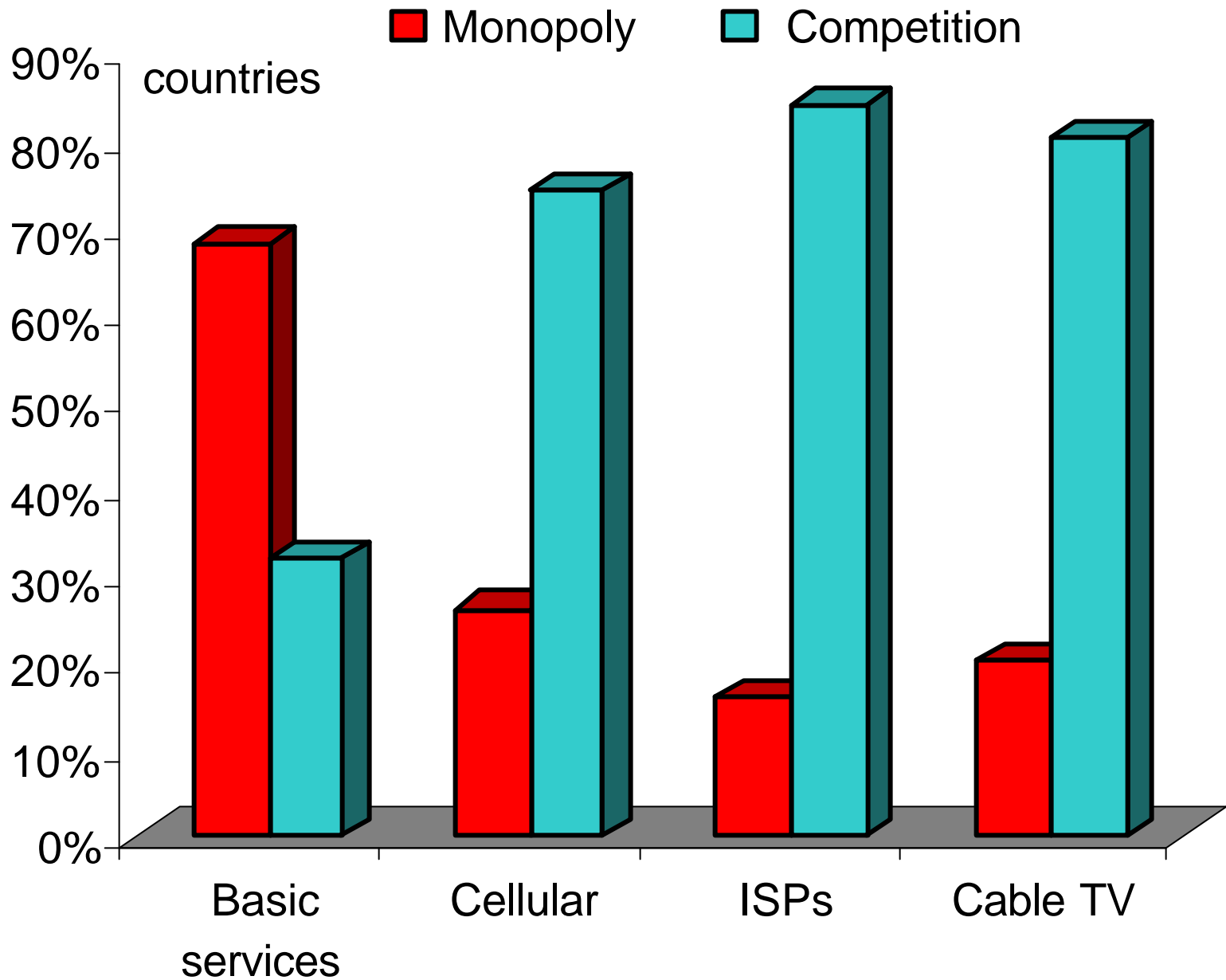
% of PTOs privatized, by region



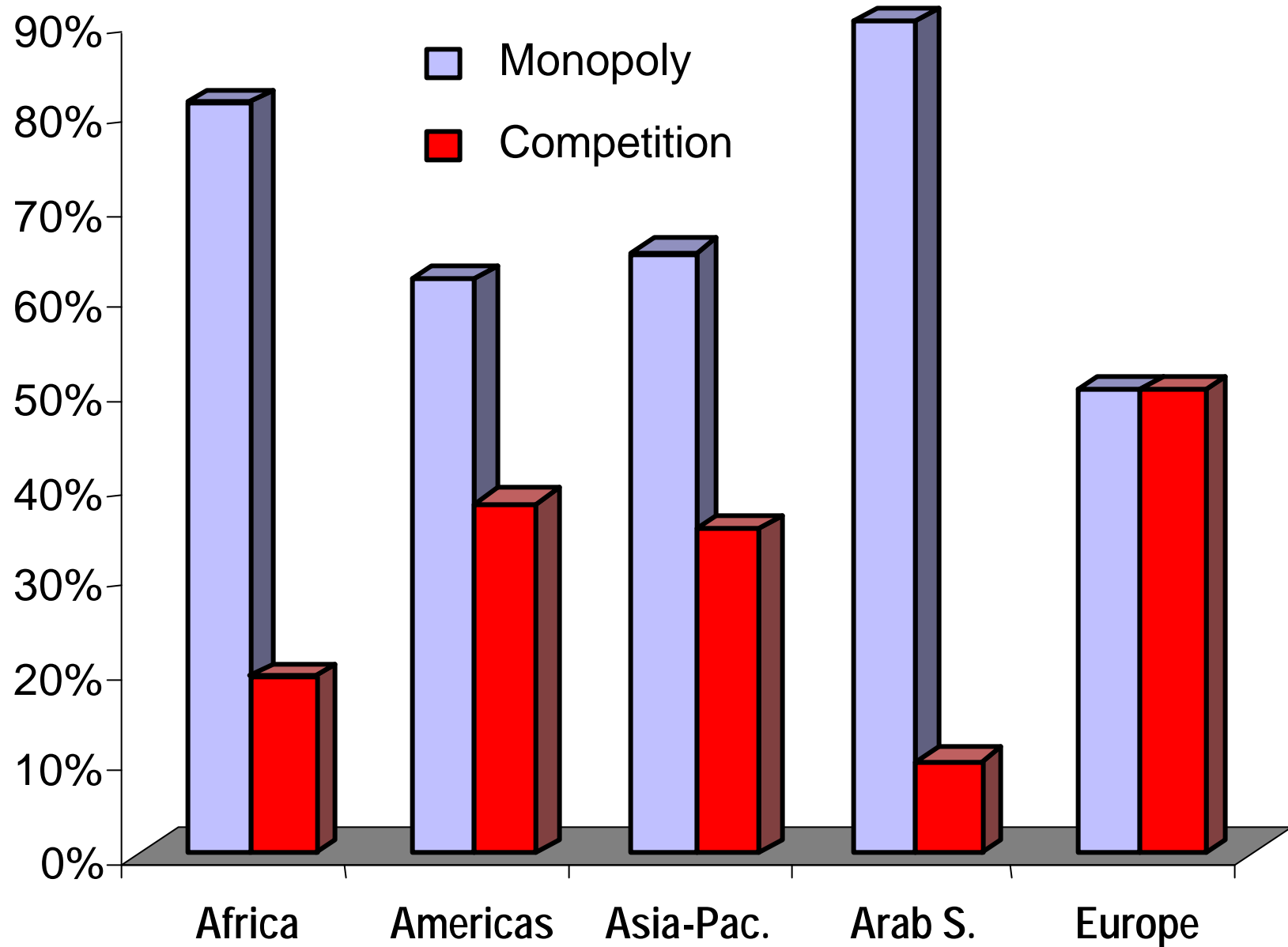
Competition in basic services



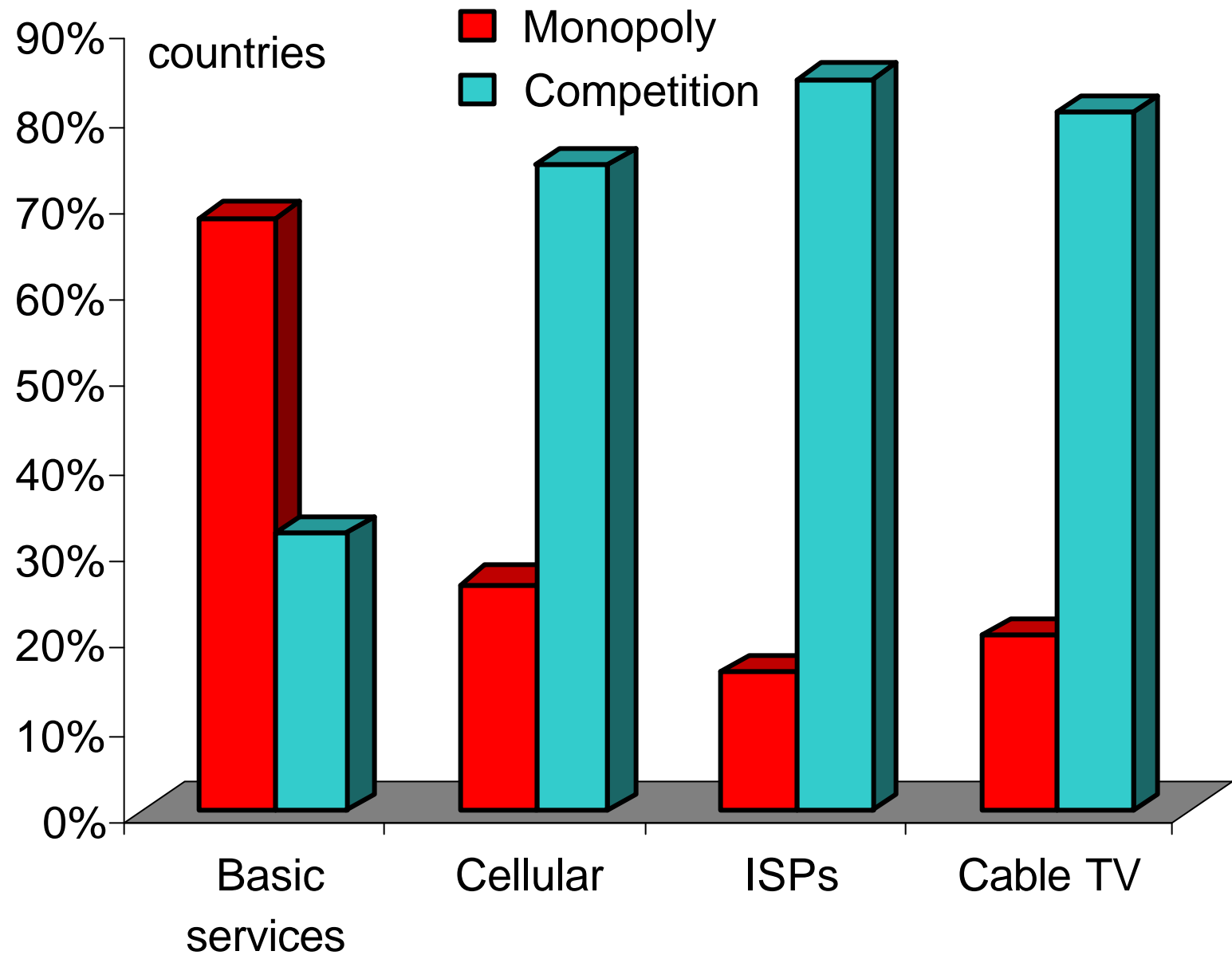
But still slow in relative terms



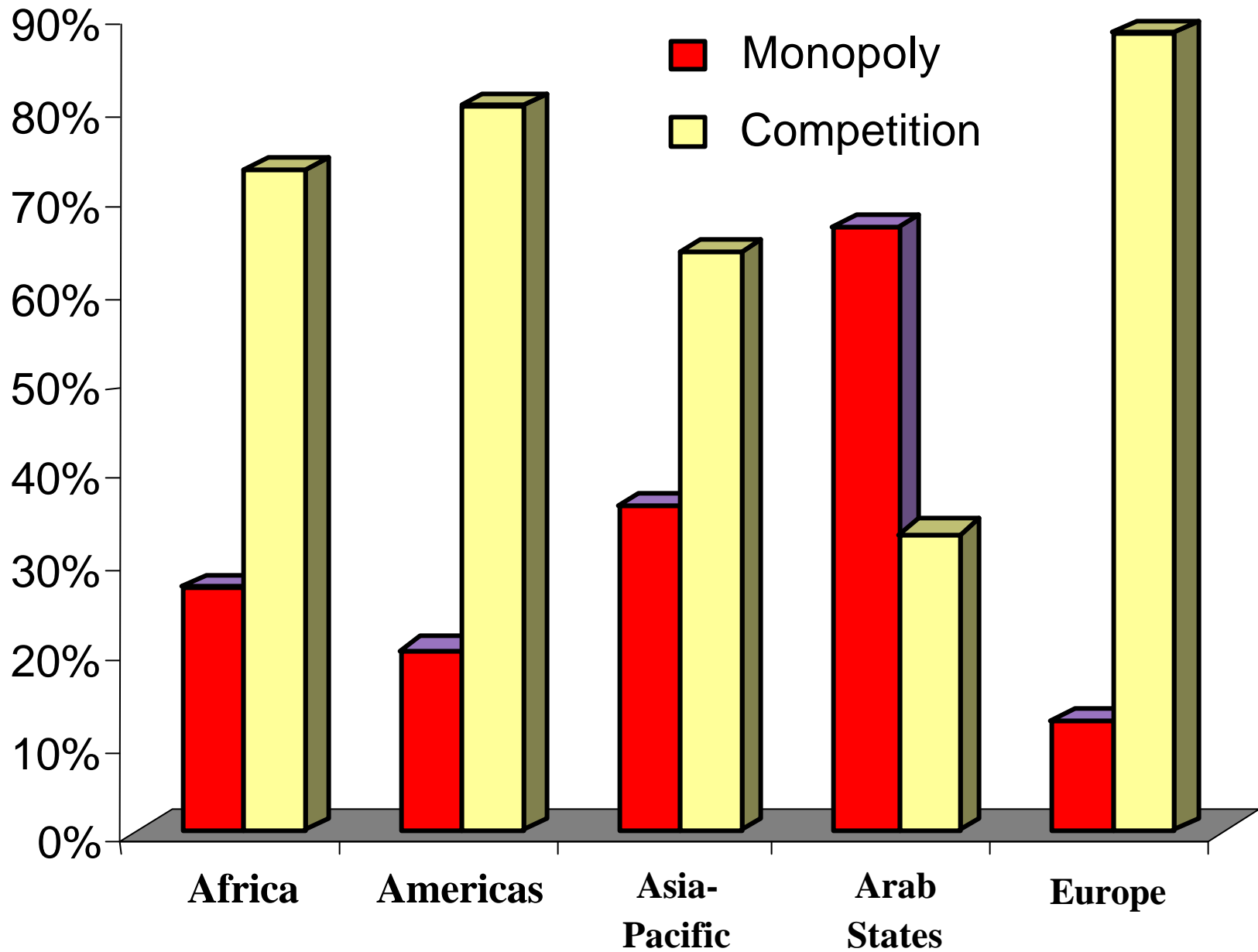
Some more than others...



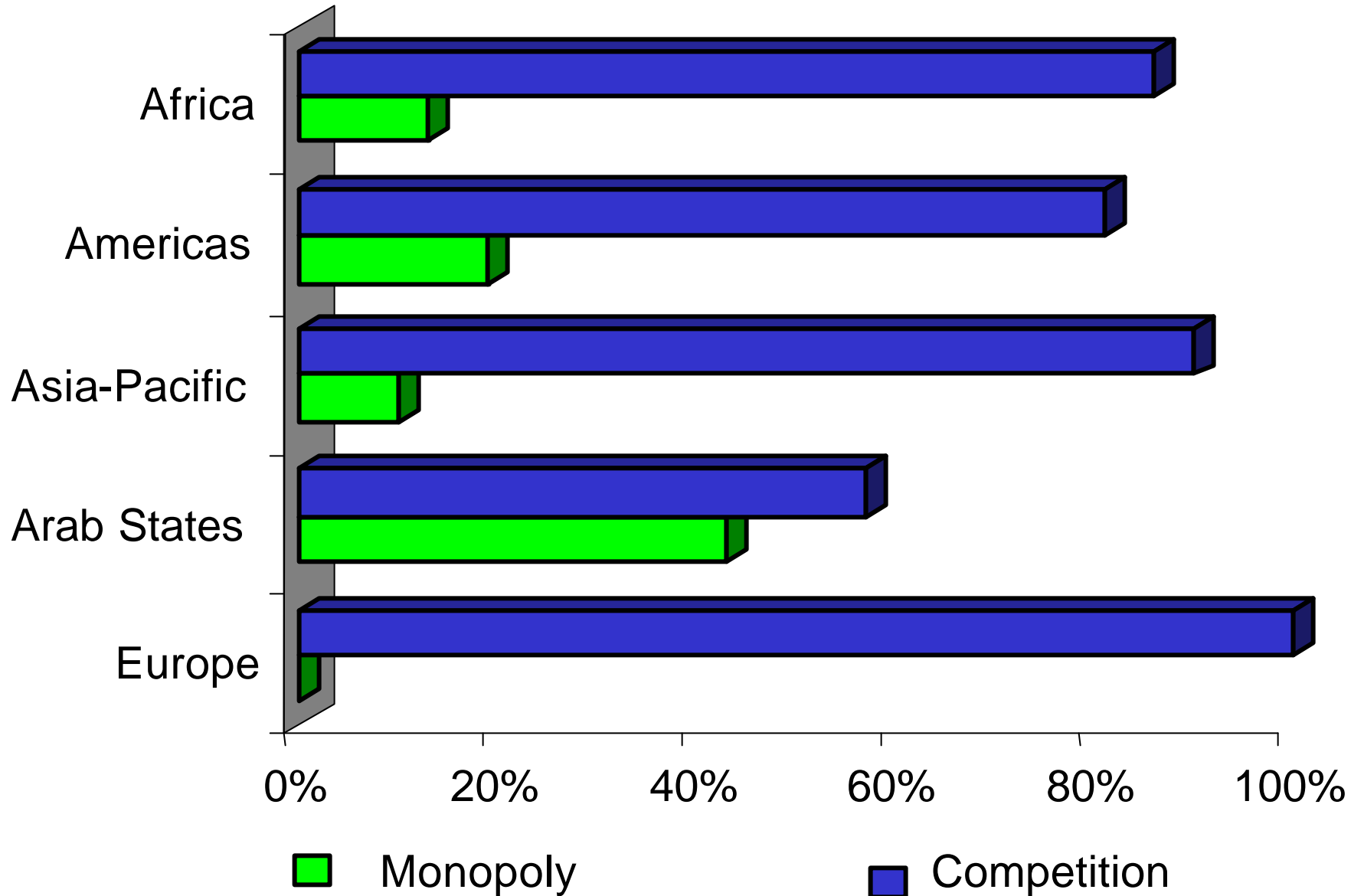
Competition in cellular services



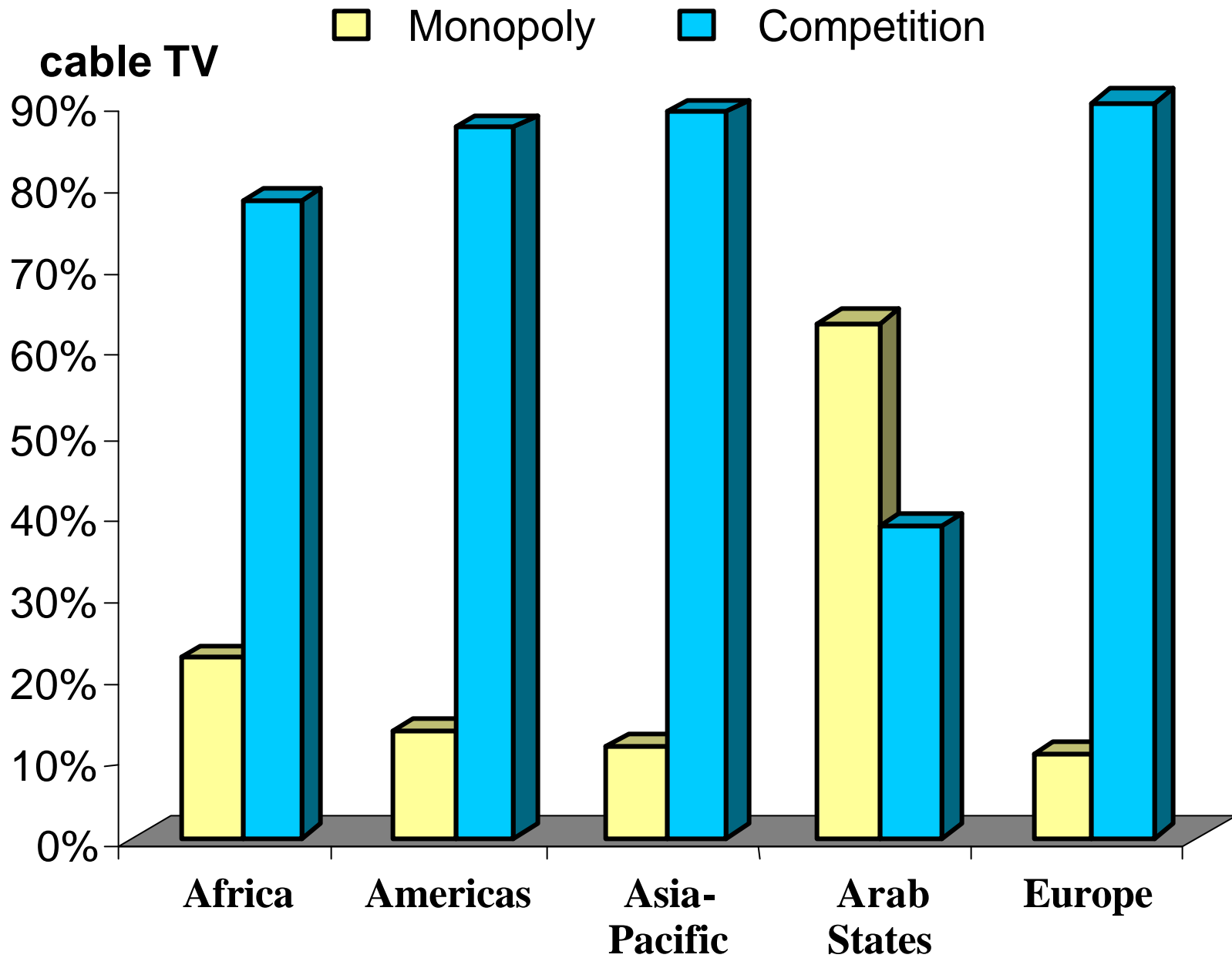
By region...



Competition in Internet services



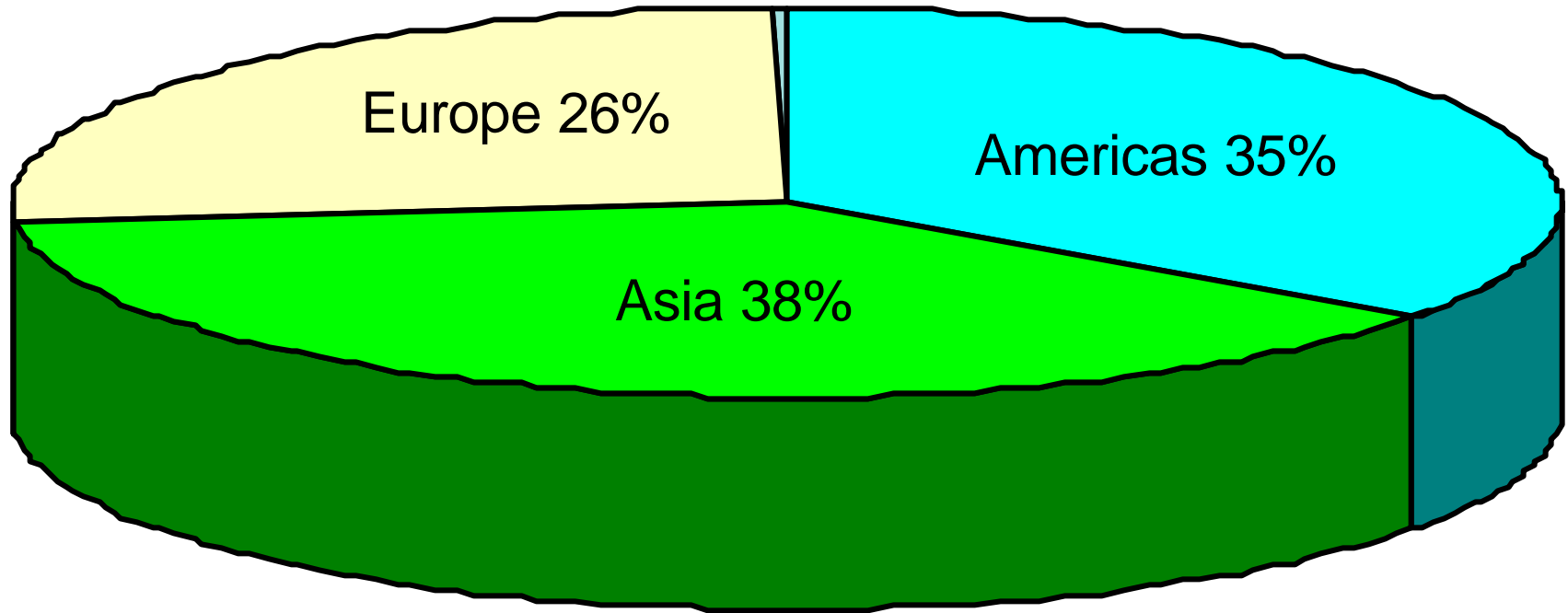
Competition in cable TV



Getting or not getting cable TV

CATV subscribers

1998



Oceania
0.3%

Africa
0.003%

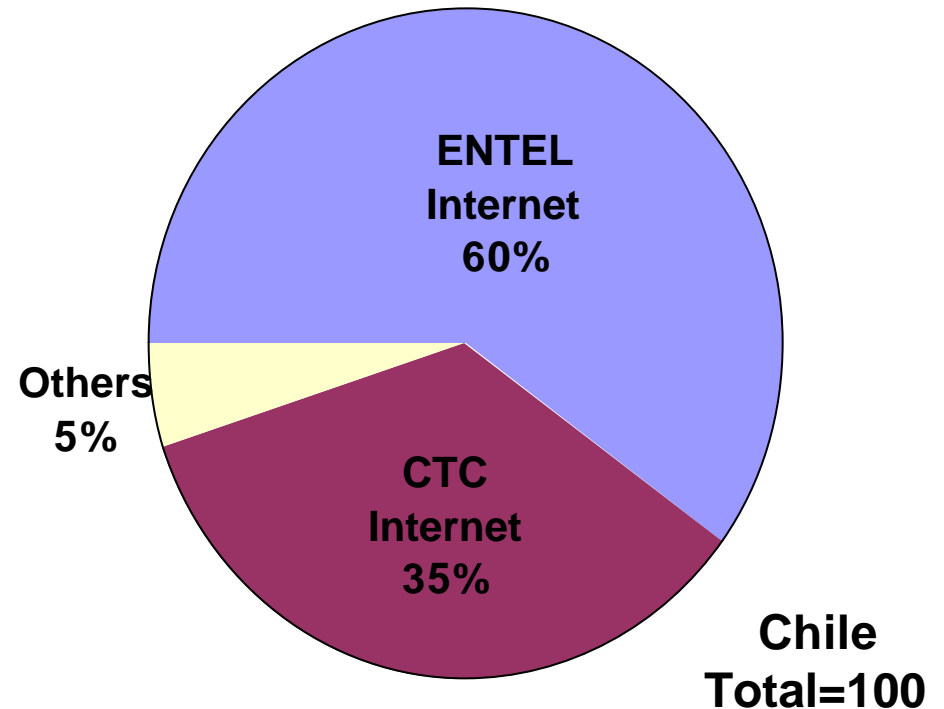
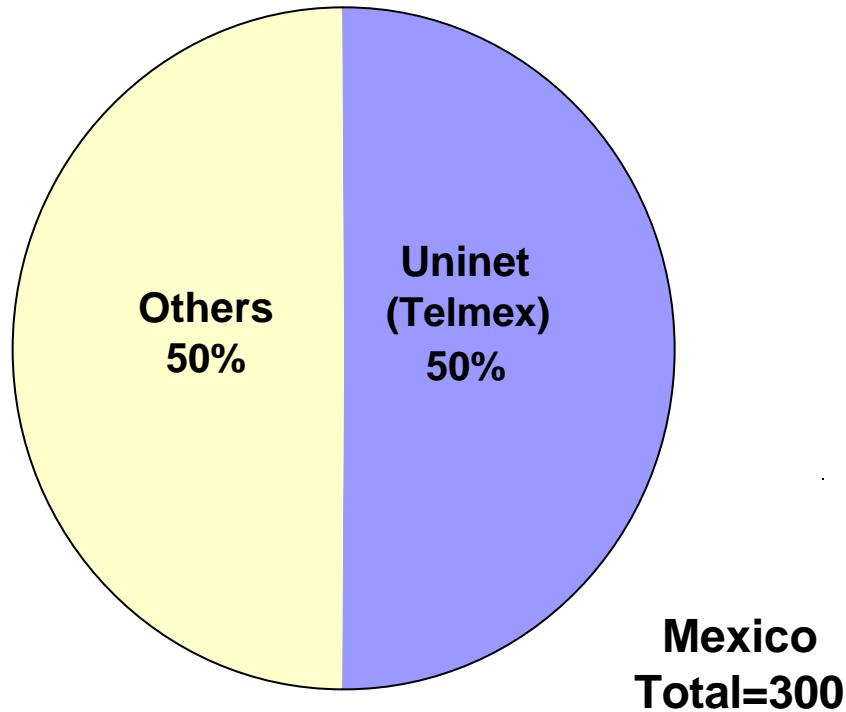


Globalization and market concentration

- **Seems not so likely in traditional markets**
 - ⇒ **Not so successful global consortiums**
 - ⇒ **Mega mergers blocked or scaled down: MCI/Worldcom/Sprint; AOL/Time Warner Inc.**
 - ⇒ **Large number of new operators (50 in UK)**
 - ⇒ **Traditional network providers (i.e., British Gas 35 million users, cable TV companies, etc.)**
- **What about in “new” services?**
 - ⇒ **ISPs and IP backbone**
 - ⇒ **Mobile third generation (3G)**

Concentration of market power

Internet market share in Latin America, Jan 2000



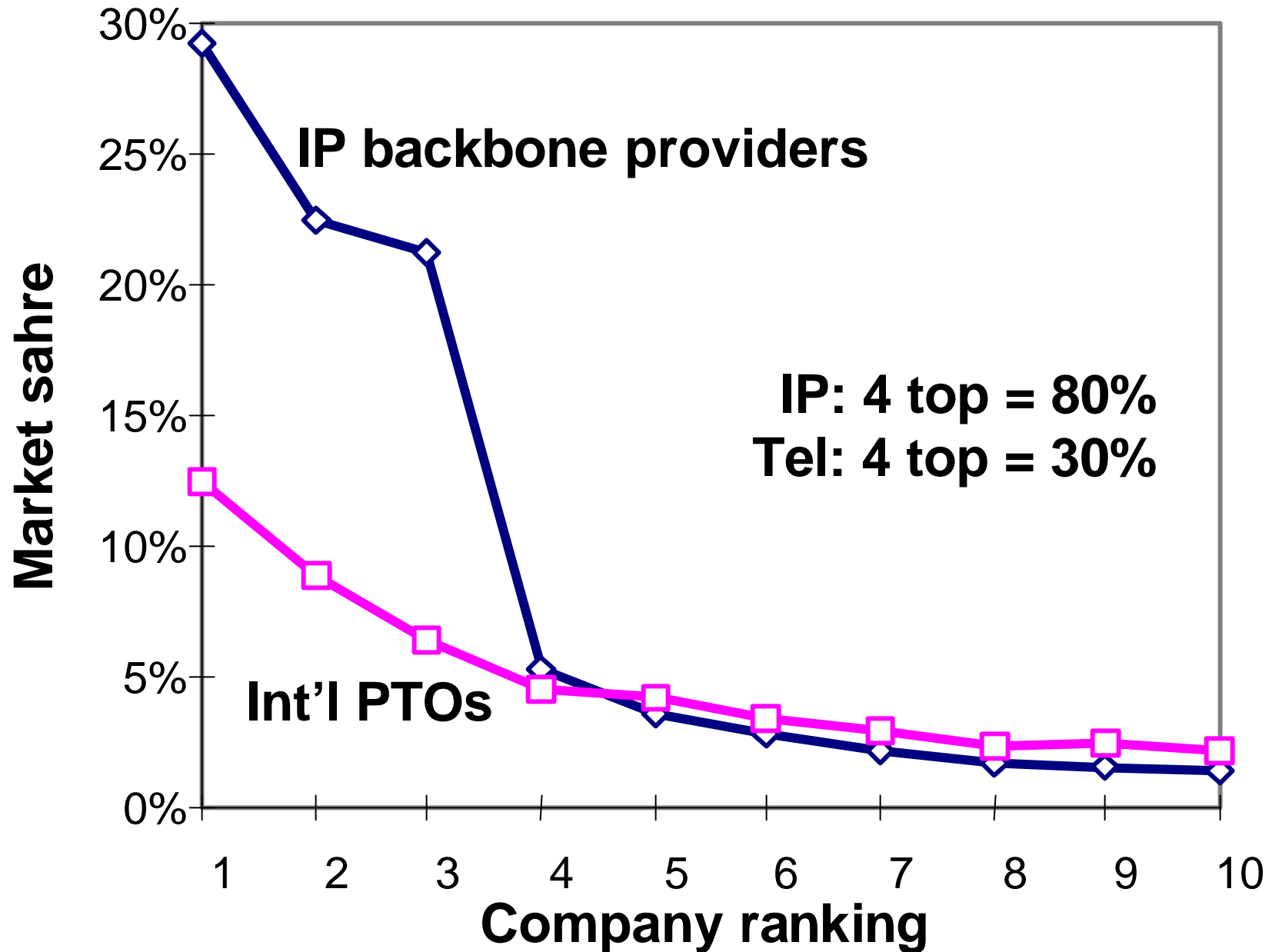
Argentina

170 ISPs; Arnet-Advance = 34%

Venezuela

165 ISPs; CANTV = 35%

IP backbones: a world for few?





3G licenses: only for the rich?

● UK	=	US\$ 35.5 billons
● Germany	=	US\$ 45.8 billons
● France	=	US\$ 18.8 billons

[pre-bidding estimate]

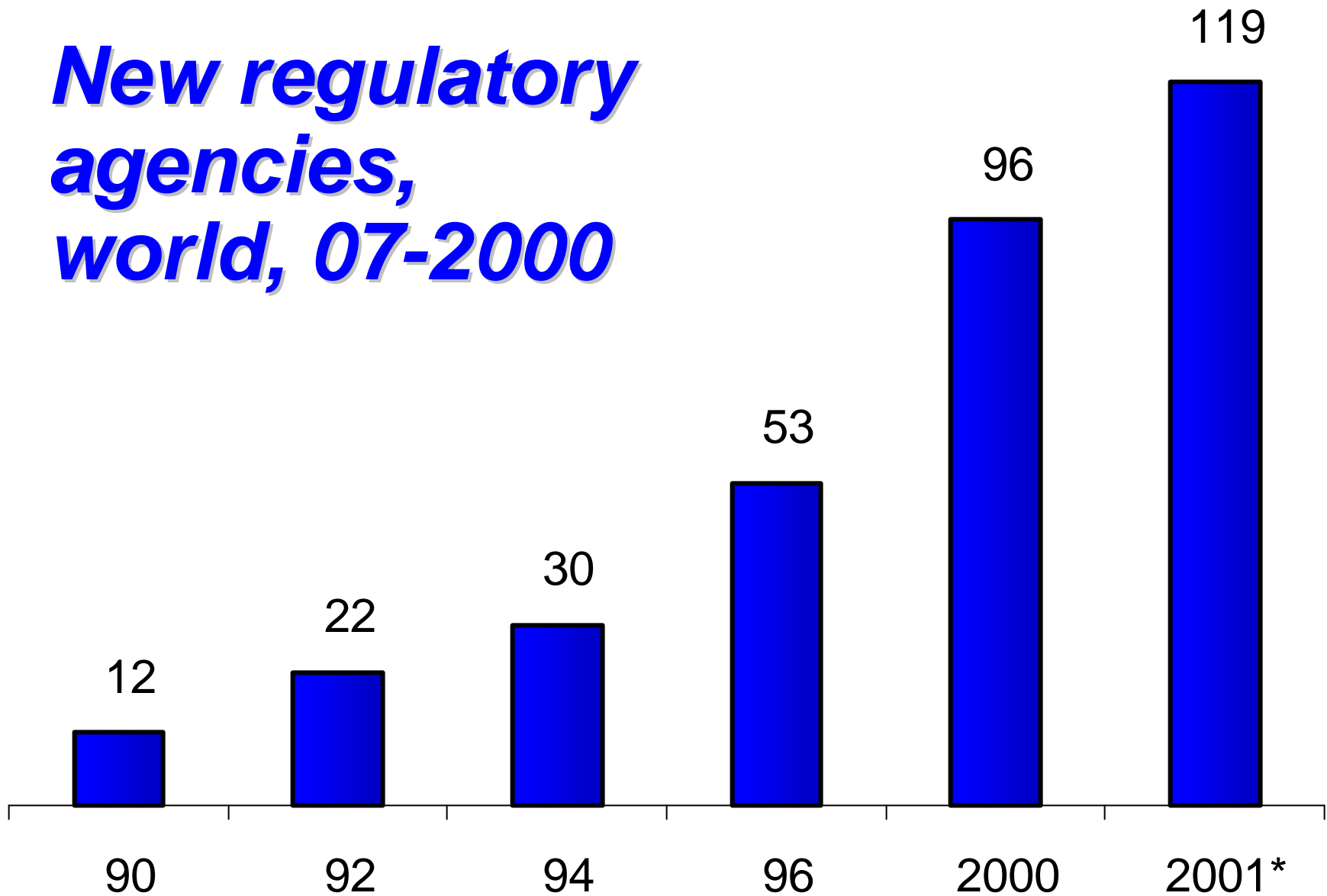
- 1. In 2G cost of license was 35-45% of total investment**
- 2. In 3G cost of license represent 65-75% of total investment**
- 3. Total 3G network/service investment in Europe US\$ 315 billons in the next 10 years [Moody's]**

A few in most markets

	BT	DT	France Telecom	Manesman (Vodafone)	Telefonica
Spain				Xfera	TFE
Germany		T-Mobil	Mobilcom	Mannesmann Mobil	3G Group
Netherland	Telfort		Dutch tone	Libertel	
UK	BT3G		Orange	Vodafone	
Italy	Blu	Wind	Wind	Omnitel	Telefonica
Austria	Connect Austria	Max. mobil		Tele.ring	

Source: ITU Trends in Telecom Reform 2000

***New regulatory agencies,
world, 07-2000***



***New
regulators***

Arab States



29%

Asia-Pacific



32%

Europe



56%

Africa



63%

Americas

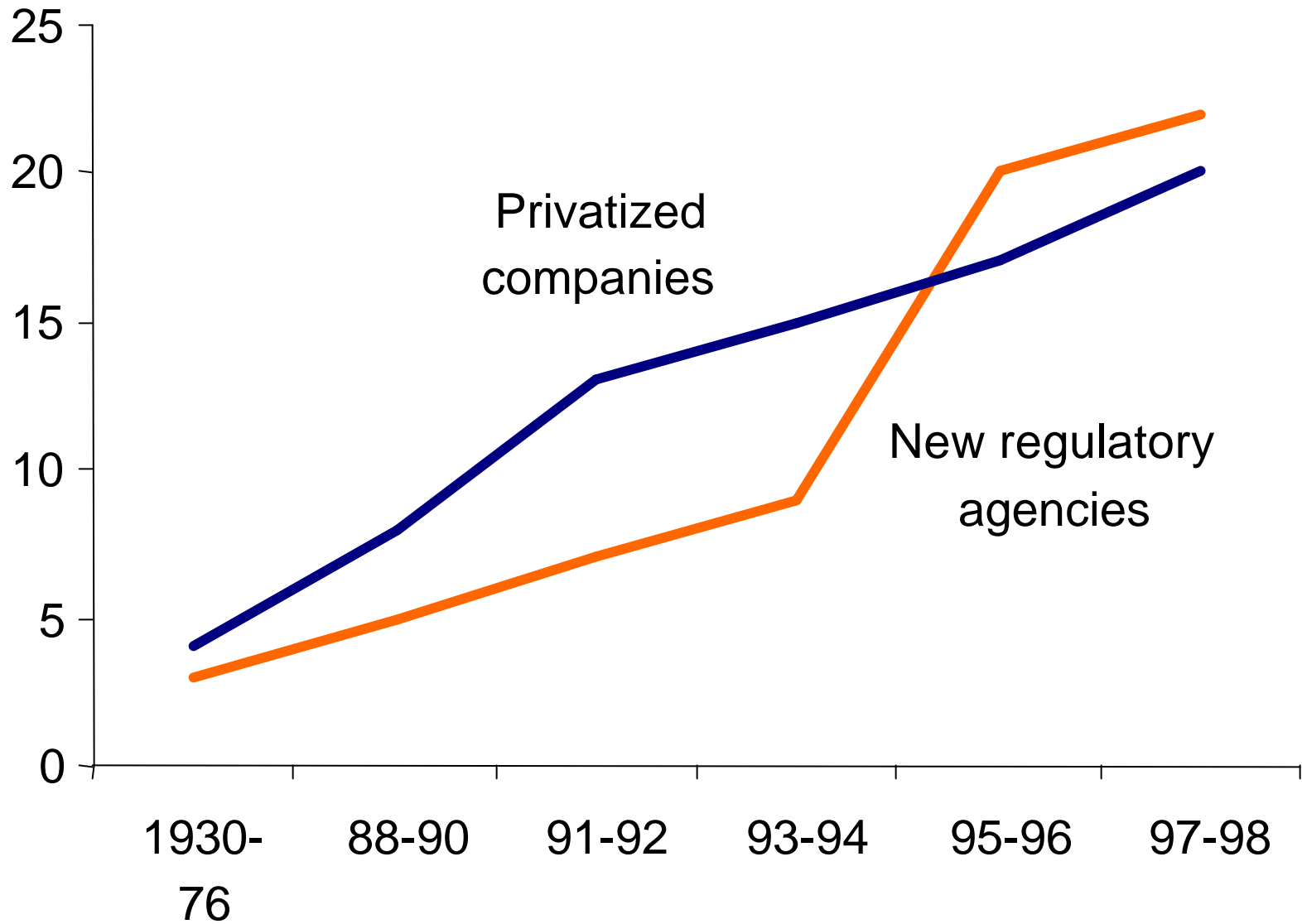


65%

***% of countries,
by region, 07-2000***



Regulators and ownership



Trends in Telecommunication Reforms 2000-2001



BDT/SPU
<http://www.itu.int/treg>

