



Regulatory Toolkit on Competition Policy, VoIP, Interconnection and Pricing

Overview for *Global Symposium for Regulators*

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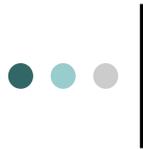
Yasmine Hammamet, Tunisia
November 14, 2005



Context

Project in Progress

- **infoDEV Information for Development Program**
 - Regulatory Study/Toolkit program
 - Joint ITU and The World Bank effort
- **Our project launched September 2005**
- Consortium of three consulting firms
 - NERA, Castalia, Kalba International, Inc.
 - One of four parallel Study/Toolkit projects
 - Target completion: January 2006

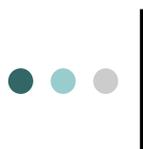


Drivers

Regulatory responsiveness

- Role of ICT
 - Impact on economic growth, investment and productivity
- Regulatory Authorities
 - Establishment of independent regulators
 - Africa, Eastern Europe, Middle East, Caribbean, etc.
 - Globalization of regulatory information
- Convergence and New Technologies
 - IP multi-service platforms: voice, data, video
 - New wireless technologies: 3G, WiMAX, etc.

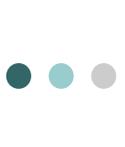
Need for faster AND integrated regulatory responses



Toolkit Products

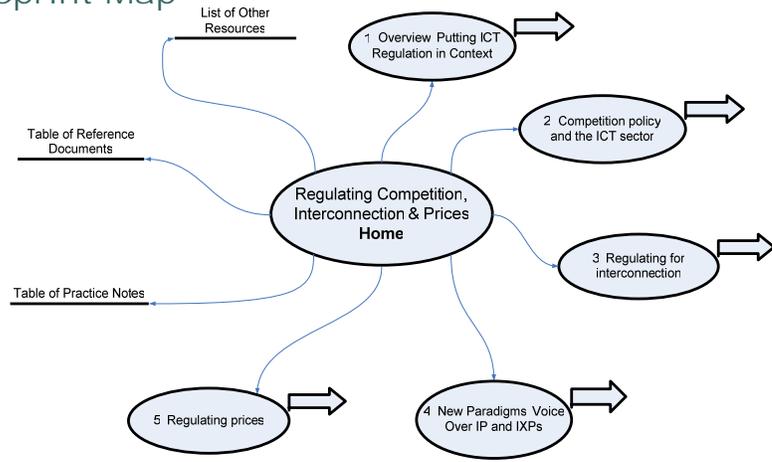
Parallel Universes

- Parallel Toolkits
 - Licensing
 - New Technologies
 - Legal and Institutional Aspects
 - Managing the Radio Spectrum
 - Competition, Interconnection and Pricing
- Parallel Components
 - Study
 - Online Webkit
 - Training Material



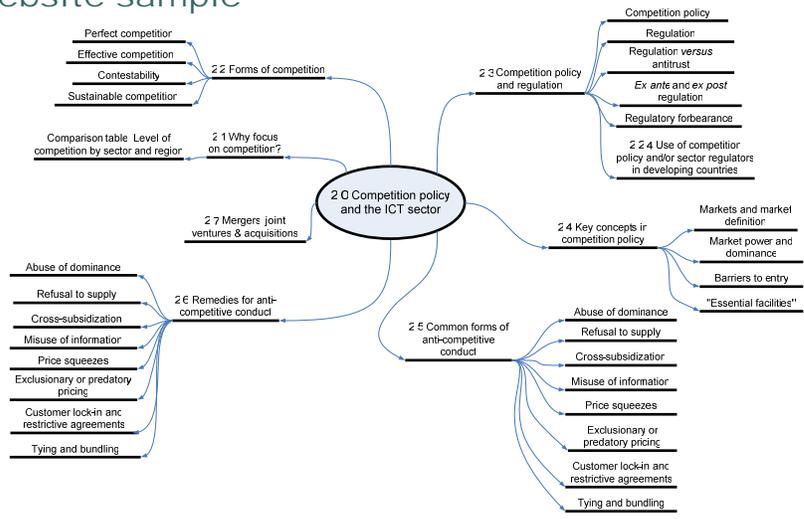
Toolkit Website

Blueprint Map



Toolkit Website (2)

Website sample





The Study

The major components

- Competition Policy
 - From antitrust to proactive
- Interconnection
 - Classical to peering
- Pricing
 - The VoIP disruption



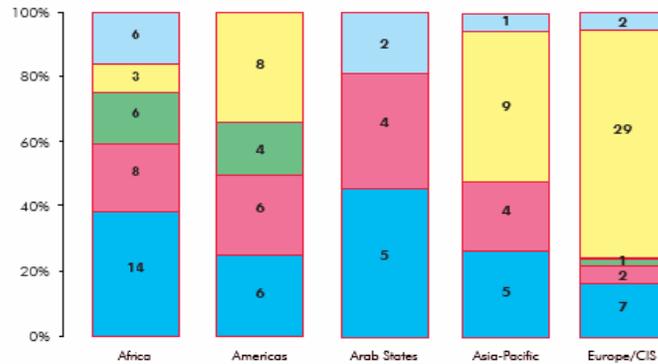
Competition policy

- Addresses anticompetitive behavior:
 - abuse of dominance
 - refusal to supply essential facilities
 - misuse of information
 - cross-subsidization
 - exclusionary or predatory pricing
 - vertical price squeeze
- Possible remedies:
 - preventive regulatory measures
 - curative measures
- Forbearance – the new frontier

VoIP

Eyes of the regulatory beholders

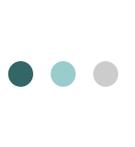
IP Telephony markets, regulatory status, 2004



VoIP

Eyes of the regulatory beholders (2)

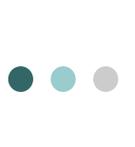
- Full Competition
 - Most of Europe; much of Asia Pacific and Americas; start in Africa
 - Japan case
- Partial Competition
 - Some Africa and Americas
 - Kenya case
- Restricted or Prohibited
 - Most Africa and Arab States; much Americas and Asia Pacific; some Europe/CIS



Interconnection and Pricing

Rules of market engagement

- Cost concepts are fundamental
- Setting price for a single service or an overall level
- Range of reasonability
- Price cap regulation

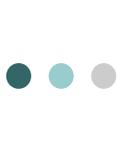


Case Studies

A collective resource

- Concrete examples
 - Issues, options, practices
 - Decisions and impacts
 - Lessons
- Diverse sources
 - Developed and developing

This is where we need your input –
today and next week.



Case Study Sources

Proposed cases for online toolkit

Argentina	Honduras	Nepal
Australia	India	New Zealand
Bahrain	Ireland	St Vincent and the
Botswana	Jamaica	Grenadines
Brazil	Japan	Senegal
Canada	Kenya	Singapore
Costa Rica	Malaysia	Sri Lanka
Chile	Mexico	United
European Union	Morocco	Kingdom
		United States



The Process

Creative, iterative production

- 1) sponsors set goals and context
- 2) consultants develop drafts
- 3) sponsor and inside reviews
- 4) consultants redraft
- 5) outside, sponsor and inside reviews
 - including at GSR
- 6) consultants redraft
- 7) toolkit products
- 8) user reviews
- 9) next-stage products



Consulting Team

We thank our sponsors—infoDEV, the ITU and the World Bank—and welcome your inputs and feedback.

- NERA Economic Consulting
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