Indonesia's Proposal on Regulatory Principles for Identifying Innovative Infrastructure Sharing Strategies to Promote Affordable Access for All to Lay the Foundation for Tomorrow's Global Information Society

Introduction

Many developing countries have to face a lot of challenges such as the surging demand of telecommunication/ICT services, and lack of ample network coverage as well as capacity.

Hence, we believe that there is an urgent need for innovative breakthrough measures in meeting the above challenges. This would not only solve their present problems, however, also would become future opportunities for their national telecommunication/CIT networks and service developments.

We also believe, that to speed up efforts in meeting the challenges it is important to share experiences among ITU members, particularly developing countries, in overcoming the problems and their achievements.

It is very important to remind ourselves, that national policies and regulations should be developed to suit the country's national needs and situations, and not duplicated from other countries, particularly when they have distinct developments and environments.

Major Challenges Faced by Developing Countries

We, the regulators participating in the 2008 Global Symposium for Regulators, have the opinion, that:

1. Most Developing Countries experience a surging demand for telecommunication/ICT services, once new technologies are introduced. We observe e.g. the strong growth in mobile telephony, increased use of basic mobile data services, and increased demand of Advanced Data Communications.

2. At the same time they have to face inadequate national network coverage extending the reach of telecommunications services to rural, frontiers, and remote areas, particularly those that are not economically feasible. More seriously their installed network capacity, particularly in the big cities does not meet the surging demand, resulting in internet access and bandwidth constraints.

3. They have to face relatively slow growth of new fixed-line access for providing broadband access. It is compensated to a certain extend with a strong growth by the mobile wireless access.

4. They also have to prepare themselves for the introduction of the next-generation networks (NGN), requiring tremendous network capacity.

Urgent National Requirements

We, the regulators participating in the 2008 Global Symposium for Regulators, belief that:

5. The most important phase for coping with the rapid increase of bandwidth capacity requirements and more importantly in establishing an evenly distributed network throughout the country, it is strongly suggested to give priority in constructing a high or abundant capacity national backbone network around and or crossing the country. A well-

established national backbone network would facilitate:

a) In providing national broadband access to all capital provinces and districts, and to become potential and crucial new points of presence (POP) throughout the country, instead of the present centralized national node;

b) A smooth transition to the coming Next Generation Network (NGN), requiring a huge if not unexpected traffic capacity;

c) A powerful basic and catalytic national network which would support other existing as well new networks and services.

d) Guaranteeing a better competitive access for new entrants and or small provides to their customers, particularly areas away from the metropolitan area.

e) Guaranteeing much more affordable long distance rates,

f) Supporting and improving with broadband access any ongoing USO program.

Major Policy and Regulatory Challenges

We, the regulators participating in the 2008 Global Symposium for Regulators, have the opinion, that:

6. A new regulatory mechanism has to be created to support the establishment of a national high capacity backbone network, that would take into account:

a) The existing fiber optic network to avoid unnecessary duplication and in order to create a harmonious though competitive environment;

b) Existing operators and new entrants could cooperate in developing the national backbone, providing access or better access to their networks without disrupting the competition among themselves in providing services to their customers;

7. It has to regulate the general criteria on interconnection and competition, and facilitating open and fair interconnection practices, eliminating anti-competitive behavior by incumbents as prevalent particularly in the local loop.

8. The spirit of cooperation among the stakeholders should be more prevalent in establishing the national backbone for the basic benefit of all stakeholders, instead of competition, for providing very economical long distance rates for all interested entities or parties to access the backbone network. In turn it would eliminate suppressed demands and provide new business opportunities and growths.

9. Government's Role and Policy is required in:

a) promoting the concept to all stakeholders, incumbent and other existing operators, new entrants and or investors,

b) facilitating the establishment of a consortium, as required, and

c) facilitating communication with the other institutions and local governments