




A Global Approach to Free Flow of Data

- Striking a Balance between Protection and Growth



Steven SOON, Vice President, Public & Regulatory Affairs, Telenor Group – 20 March 2017 (ITU – RDF Conference)



About Telenor Group



Geographic focus on Scandinavia, CEE and Asia

Strong mobile market positions: #1 or #2 in 10 of 13 markets

Controlling positions in all key assets

More than 214 million mobile subscribers

Revenues of USD 15.6b; EBITDA of USD 5.5b (2016)

About Telenor Group in Asia

PAKISTAN – Telenor

Entry: 2004
Position: 1-2
Connections: 32.2 mn
Ownership: 100%
Share of revenues: 6%
SOTP Telenor: 6%

INDIA – Telenor

Entry: 2009
Position: 4-6 in circles
Connections: 42.6 mn
Ownership: 100%
Share of revenues: 4%
SOTP Telenor: 2%

TELENOR IN ASIA:

- **20 YEARS EXPERIENCE**
- **1.1 BN FOOTPRINT**
- **6 OPERATIONS**
- **200 MILLION SUBS**
- **19,500 EMPLOYEES**
- **ASIA – CONTRIBUTES > 50% OF TOTAL TELENOR REVENUE**

BANGLADESH - Grameenphone

Entry: 1996
Position: 1
Connections: 56.7 mn
Ownership: 55.5%
Share of revenues: 8%
SOTP Telenor: 7%

MYANMAR - Telenor

Entry: 2014
Position: 2
Connections: 13.9 mn
Ownership: 100%
Share of revenues: 4%
SOTP Telenor: 6%

THAILAND – dtac

Entry: 2000
Position: 2
Connections: 25.3 mn
Ownership: 43%
Share of revenues: 16%
SOTP Telenor: 9%

MALAYSIA – DiGi

Entry: 1999
Position: 3
Connections: 12.1 mn
Ownership: 49%
Share of revenues: 11%
SOTP Telenor: 10%

Digitization is the world's most inevitable trend; fueled by access to broadband and smartphones

Billions will gain access to affordable broadband, allowing them to go online.

46% of the globe is doing so via mobile, growing to 60% by 2020.

With smartphones the only access point for many in emerging markets, the Internet is now inextricably linked with mobile and vice versa, for an entire generation.

This combination of consumer pull and technology push are among the key drivers of the digitization megatrend.

Cross border data: A major driver of economic growth, benefitting countries, businesses, customers

US\$7.8trillion

Global flows have raised world GDP by at least 10 percent; totaling \$7.8 trillion in 2014.

US\$2.8trillion

Data flows now account for a larger share of this impact than global trade in goods, or \$2.8 trillion.

50%

Potential GDP boost for some countries by increasing participation in global flows .

US\$4trillion

Estimated global retail ecommerce sales in 2020

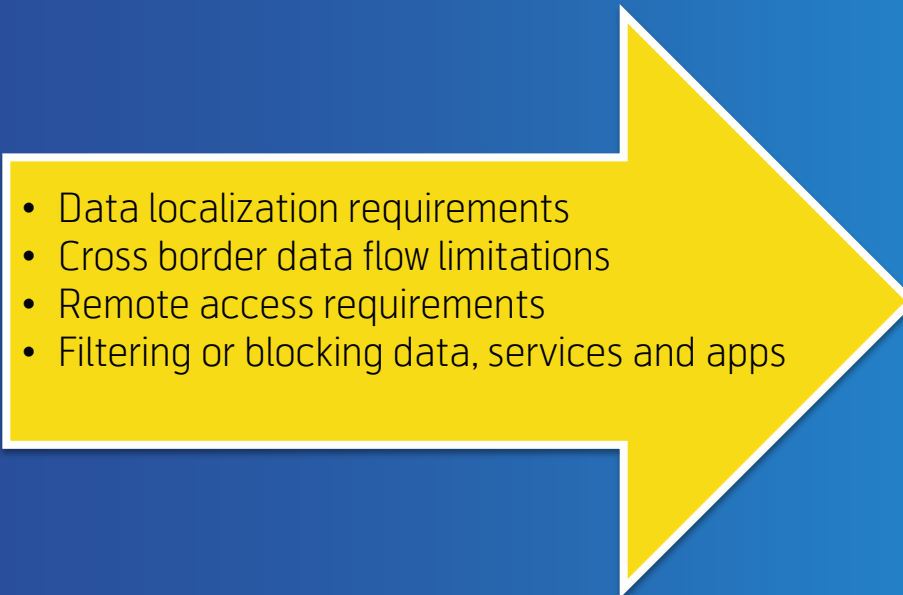
2.6 jobs

Number of jobs created for each one made obsolete

10%

Increase in productivity for SMEs

However, there is a growing number of barriers to cross border data

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- Data localization requirements
 - Cross border data flow limitations
 - Remote access requirements
 - Filtering or blocking data, services and apps

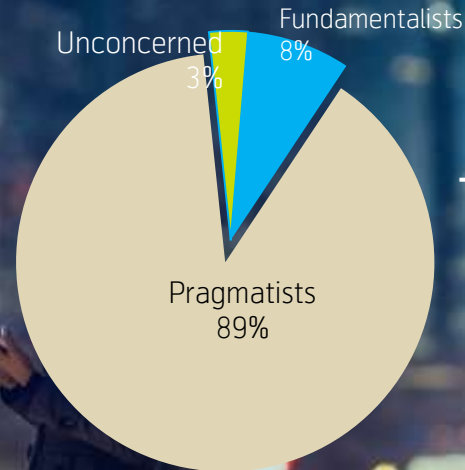
1. Data Privacy
2. Data Security
3. Data Protection

Cross border data is subject to increasingly complex and stringent regulation.

Customers seek personalized services – with maintained levels of transparency and control

Almost 8 out of 10 Asian customers want apps to be tailored to their preferences and needs; 7 out of 10 are willing to share personal data for tailoring

9 out of 10 Asian customers say that transparency* and control** are important features for their willingness to share personal data



Most people are 'Privacy Pragmatists' – being privacy concerned, but still willing to share personal data in exchange for personalization

All numbers are based on Telenor Group survey conducted among experienced internet users in Pakistan, India, Thailand & Malaysia

* Simple privacy policy & information on data sources used ** Access and edit data & restrict use of data

Unchecked regulation could potentially lead to...

Reduced
market access

Higher
business costs

Less incentive
to innovate

Less
competition

Ultimately impacting consumers.



PROTECTION

The challenge is to balance the provision of adequate data privacy, security and protection with the need for greater freedom of data flows that drive economic growth and innovation.

To stimulate Free Flow of Data, regulators and policy makers must strike the right balance between protection and growth



GROWTH

Striking the right balance: Flexible Regulations

- Restrictions and conditions on international data flows should be **kept to a minimum** and applied in exceptional circumstances only
- Cross-border data transfer **rules should be risk-based** and support measures to ensure data is handled with appropriate and proportionate safeguards while helping realise potential social and economic benefits
- Also, to the extent that governments need to scrutinise data for official purposes, they should achieve this through **existing lawful means** and appropriate intergovernmental mechanisms that do not restrict the flow of data

Striking the balance: Keeping data secure and ensuring individuals' rights

We, recognise the broader challenges of national and international surveillance. However:

- Governments should only impose measures that restrict cross-border data flows **if they are absolutely necessary** to achieve a legitimate public policy objective
- The application of these measures should be **proportionate** and not be arbitrary or discriminatory against foreign suppliers or services

Telenor believes that the free flow of data is...

Beneficial to both traditional and digital industries

A key catalyst for innovation

Essential for economic growth

Dependent on regulators creating a precise balance of laws that offer robust consumer and business data protection, but are not unnecessarily restrictive, complex and vague

We are ready to offer support and contribute to the discussion

Together, industry stakeholders can ensure that the digital and mobile technologies founded on the free flow of data will continue to drive innovation, economic growth, and social development in Asia and across the globe.

In Summary

- 1. Cross-border data flows contribute significantly to global economic growth and nations' GDP**
- 2. They are the key catalyst for business innovation (in traditional and digital industries), better consumer services and increased welfare**
- 3. The accelerating pace of digitalization and the ever-increasing volume of data requires more robust measures to ensure data security, privacy and protection**
- 4. Regulators will need to strike a balance between implementing an adequate level of regulations to protect consumers and businesses without impacting growth of data flows through restrictive, complex and vague legislation.**



THANK YOU