



Summary of Mini-workshop on the Economic impact of OTTs
Lunchtime session, 25 February 2016

The **ITU-T Study Group 3 Rapporteur Group** on “Economic and regulatory impact of the Internet, convergence (services or infrastructure) and new services, such as OTT” organized a mini-workshop during the lunch period on 25 February 2016. The workshop was entitled “Economic impact of OTTs” and included presentations by TSB, Tunisie Telecom and TRAI (India). The agenda and slide presentations are available at the following link:

<https://www.itu.int/en/ITU-T/studygroups/2013-2016/03/Pages/mini-workshop-201602.aspx> .

In the opening remarks, the moderator noted the importance of OTTs, in special, it was remarked the role of ITU in order to promote sustainability in the Telecom sector. The Rapporteur Group on this matter was established and there are many contributions to be discussed and the mini-workshop is very useful in the sense of create a clear idea about this issue.

The representative from TSB, Mr. Scott Marcus presented a report related to the matter. The studies presented the opportunities and impacts associated with OTT services, policy challenges, policy approaches attempted or taken in various parts of the world. The main concluded remarks of the presentation was: (i) OTT services are clearly associated with significant opportunities for all; however, they are also associated with a number of new threats. (ii) Existing regulatory provisions that were developed for the switched telephone network tend to be ill-equipped to deal with today’s challenges. (ii)The issues are complex, and may not lend themselves to simple solutions. (iii)In many cases, a global consensus as to what constitutes best practice has not yet emerged.

Tunisie Telecom provided a comprehensive presentation on “The impact of OTTs from an operator’s perspective”. It was remarked the evolution of the telecom sector, including the challenges imposed by digital era, and the importance of the level playing field in order to create a sustainable ecosystem, both for operators and OTT providers. It was presented facts and numbers related to the economic impact of OTTs and trends related to this issue. The main conclusions of this presentation was: (i) The development of digital communication services and innovative business models is contributing substantially to national economic growth and social welfare. (ii)New challenges have raised for national economies regarding the sustainability of their digital eco-system. The most visible today is the impact on Telecom Operators business.(iii) Operators, as national actors, are facing considerable investment challenges while customer needs are high and willingness to pay remains low. (iv) OTT Players as key actors of this growth rely for their business on Telcos’ Infrastructure and Investments. They are therefore concerned by the sustainability of local eco-systems. (v) Policy Makers & Regulators played an extremely positive role in the past decade making the development happen. They are questioned today about ensuring sustainability of the new ecosystem.

The last presentation of the mini-workshop was made by Mr. Akhilesh Trivedi, India (TRAI). The presentation was called “The OTT Experience in India: Recent developments in differential

pricing”. The presentation remarks the recent developments on differential tariffs for data services, in special the Consultation process did by TRAI related to on the issue of differential tariffs for data services. TRAI received a large number of written responses from stakeholders. The comments and the counter-comments received from the stakeholders were placed on the TRAI's web-site (www.trai.gov.in). TRAI also conducted an Open House Discussion (OHD) wherein a large number of stakeholders expressed their views on the issues raised in the Consultation Paper. In the final, was presented the Regulations on prohibition of discriminatory tariffs for data services on India.

Following the presentations, there was a brief period for questions from the audience. The presenters also were commended for providing rich and informative material to the consideration of the group.
