



## Telecommunication Development Bureau (BDT)

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Subject: New Regional Telecommunication/ICT Reform Studies

Dear Sir/Madam,

The rapid growth of the digital economy that we have been experiencing over the last decade presents huge opportunities for development, creating global markets for applications and services, reducing the cost of doing business, and unleashing creativity and innovation. In the meantime, modern Information and Communication Technologies (ICTs) bring newer, broader and greater challenges, a greater scale of operations and greater responsibilities for government, the regulator, and industry. Today, the profound transformational power of broadband and broadband-enabled service and application require a fresh look at ICT sector reform and the ways to design effective and thoughtful policies for the future.

In the rise of this first wave of regulatory reform in the 1990s, ITU has led the march towards extended reforms of the ICT market environment. These reforms were introduced, *inter alia*, by the drafting and the publication of flagship reports such as the Africa Green Paper, the Arab Book and the Blue Book for the Americas. These reports served as guidelines for governments embarking on reform of the telecommunication sector and as a tool to practically assist regulators facing the many challenges encountered in promoting the sector. These reforms have contributed to creating greater market efficiency by attracting more players who offer new services and deploy new technologies for the benefit of consumers. Remarkable achievements have been made that have transformed the telecom sector into the ICT sector.

In order to establish a sound basis for new regulatory reform for the next decade, further study and analysis of the impact of regulatory and policy reform as well as the evolving technological and regulatory environment is required. In an era in which ICTs are increasingly considered the right of every citizen, smart regulation will have to continue evolving on a path towards greater openness, offering incentives while turning challenges into opportunities.

I am therefore proud to announce that the Telecommunication Development Bureau is now launching a series of regional studies charting the transformation of regulatory frameworks in the digital economy. These studies will focus on examining the challenges faced today by regulators and policy makers and identifying the regulatory approaches taken throughout the world to stimulate ICT growth in a converged environment and increase access to broadband services. The new studies will draw upon the previous work

of the Bureau in this area, assess the reforms undertaken and shape new, forward-looking strategies driven by lessons learnt. The Concept Note for this project is attached below.

Based on the findings of the studies, a set of recommendations and guidelines will be put forward for an enabling ICT policy and regulatory environment to attract investments required for sustainable network roll-out and innovation. The guidelines are intended as a valuable tool for ITU Member States enabling them to further stimulate the harmonious development of the ICTs at the national, regional, and sub-regional levels, and the most efficient expansion of broadband networks, applications and affordable ICT services. An open consultation on the guidelines will take place in the course of 2012 to ensure that the views, priorities and expectations of ITU Member States, regional organizations active in the ICT sector and regulators associations have been taken on board. A high-level forum in every region will be organized to provide a platform for discussion on the work accomplished and for finalizing the guidelines as well as for ensuring their endorsement by all stakeholders.

I am therefore pleased to invite you to take part in this new project as a privileged partner. The experience and expertise of your organization will be highly valued in the process of researching and drafting the studies, in particular in the area of policy and regulation.

I will be delighted to provide you with more information about this project and explore every opportunity for your active involvement, either in the peer review process and/or in developing the regulatory reform guidelines. For further questions and details, please contact the focal point for this project Mr Makhtar Fall, Head, Regulatory and Market Environment Division, at [makhtar.fall@itu.int](mailto:makhtar.fall@itu.int).

Yours faithfully,

[Original signed]

Brahima Sanou  
Director

Annex : Concept Note



PROPOSED PARTNER



International Telecommunication Union  
Telecommunication Development Bureau

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### TELECOMMUNICATION POLICIES REFORM

<b>Estimated Start Date:</b>	November 2011
<b>Estimated End Date:</b>	February 2012
<b>Government Coop. Agency:</b>	Ministries of Communications, Regulatory Bodies, Regional Organizations, Sector Members
<b>Executing Agency:</b>	International Telecommunication Union
<b>Beneficiary Country:</b>	Global
<b>Estimated Budget:</b>	USD 700 000

#### Brief Description:

In the rise of the first wave of regulatory reform, ITU has led the march towards extended reforms of the ICT market environment. These reforms were introduced, *inter alia*, by the drafting and the publication of flagship reports such as the African Green Paper for Africa, the *Arab Book and the Blue Book for the Americas*. After more than a decade, it is important to revisit these documents: on one hand, in order to measure the progress made on the level of implementation of the various recommendations, and on the other hand to consider perspectives for new reforms to further boost the development of the ICT sector as a prime driver of the information economy.

In order to establish a sound basis for new regulatory reform for the next decade, further studies and analysis of the impact of the first wave of regulatory reform as well as the evolving technological and regulatory environment will be required.

Regarding the regions in which studies on telecommunications policy reforms haven't been performed, new studies will be undertaken, these studies will also focus on the topics mentioned below.

Once these regional studies completed, a synthesis of the various reports will be made to develop a global picture and a regional comparison.

Potential partners of the project are the regional organizations (African Union (AU), African Telecommunication Union (ATU), Inter-American Telecommunication Commission (CITEL), Asia-Pacific Telecommunity (APT), League of Arab States (LAS), Pacific Islands Telecommunications Association (PITA), Asia Pacific Broadcasting Union (ABU), Asia-Pacific Institute for Broadcasting Development (AIBD), Latino American Forum of Telecommunications Regulators (REGULATEL), United Nations Economic Commission for Africa (UNECA), Economic Commission for Latin America and the Caribbean (ECLAC)).

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Sub regional regulatory associations, the regional economic committees and the other organizations involved in ICTs will be associated in the process of drafting the reports and any other contributions from them will be welcomed.

The active participation of governments, regulators, service providers, civil society, private sector, academia, regional and international organizations/institutions involved in ICTs in the various regions is also expected.

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### **Background and Context**

The past two decades saw unprecedented changes in the global telecommunications markets. A number of state-owned telecommunications operators were privatized and a wave of pro-competitive policies swept the world. The number of telecommunication regulatory authorities grew dramatically. New market-based approaches to the supply of telecommunications services were introduced in all regions alike.

The ITU has been involved in reforms on telecommunication policies by drafting and publishing reports such as the African Green Paper for Africa, the Arab Book for Arab states and the Blue Book for the Americas. These reports were intended to serve as guidelines or tools of reference for governments embarking on reform of the telecommunication sector and to assist countries facing challenges related to reforming the telecommunications sector.

It is worth noting that certain regions had different approaches regarding the elaboration of their reports. Thus, Western Europe has developed its report (white paper) without the support of the ITU. The Asia and Eastern Europe have not developed any report so far.

These reforms have contributed to creating greater market efficiency by attracting more players who offer new services and deploy new technologies for the benefit of consumers.

Since the publication of these reports, technology, innovation and convergence have transformed the telecommunication sector into the ICT sector. Regulators today have a unique opportunity to continue to this amazing transformation so they can harness the latest technological developments, such as broadband technologies and broadband-enabled services and applications, to achieve the Millennium Development Goals and the World Summit on the Information Society objectives.

By the end of 2010, Telecom/ICT sector reforms had led to:

- Mobile phones becoming increasingly the dominant means for accessing communications in developing countries, for example in Africa, Asia-Pacific ;
- Access to mobile networks is now available to 90 per cent of the world population and 80 per cent of the population living in rural areas;
- 158 regulatory authorities worldwide and 126 countries with fully or partially privatized telecommunications operators;
- Competition in 95 per cent of countries worldwide for the provision of mobile broadband services (3G);
- 5.3 billion mobile cellular subscriptions worldwide including 872 million subscriptions to 3G services, and 1.2 billion fixed telephone subscriptions;
- The number of Internet users surpassed 2 billion;
- Decrease of fixed lines all over the world;
- Lower prices for ICT services;
- Impressive take-up of social media networks, blog sites and online shared user generated content.

It has been widely recognized that the various regionally focused reform reports were extremely useful and have helped to guide the liberalization, privatization, and restructuring of the telecommunications sector.

***The African Green Paper:*** The African Green Paper (Telecommunication Policy for Africa) was adopted by the African Regional Telecommunication Development Conference (AF-RTDC-96) held in Abidjan (Ivory Coast) from 6 to 10 May 1996. The Green Paper focuses on the definition of a legal and regulatory framework,

restructuring, network development and regional cooperation.

The paper analyzes the changes in the telecommunications industry and proposed many policy and regulatory recommendations. The objective was to have a thought-provoking reference document for African countries, offering an appropriate approach and presenting various options to define and promote, as smoothly as possible, the restructuring and accelerated development of the telecommunications/ ICT sector in Africa.

**The Arab Book:** The first edition of the Arab Book was adopted by the ITU Arab Regional Telecommunication Development Conference in 1996 (AR-RDC-96), and was intended to serve as a tool to assist the Arab States in facing the many challenges encountered in reforming their telecommunications sector. The second edition was published in May 2002. It was an evolutionary document which will continue to be updated to reflect the present status of the restructuring process. The Arab Book emphasizes the importance of a well-conceived telecommunications policy and a sound regulatory framework, mindful of national circumstances and attentive to the advancement of technology. The Arab Book was intended to serve as a guide or reference to legislators and governments undertaking reforms in the telecommunication sector.

**The Americas Blue Book:** Telecommunications Policies for the Americas Region (March 1996) emanated from the ITU Americas Regional Telecommunication Development Conference, held in Acapulco in 1992 (AM-RTDC-92). It is an effort by ITU and the Inter-American Telecommunications Commission (CITEL) of the Organisation of American States (OAS), to assist their members to manage and reform the ICT sector and to address the changing telecommunication environment. The Blue Book emphasizes the importance of a well-conceived telecommunications policy and a sound regulatory framework, mindful of the peculiarities of each country and attentive to the advancement of technology. The second edition of the Blue Book was published at April 2000.

## Strategy

The main objective of this project is to support the harmonious development of the ICTs at the national, sub-regional and regional levels, and promote the expansion of broadband networks, applications and affordable ICT services by identifying key challenges and roadblocks, providing suitable recommendations and guidelines based on a study that will be undertaken.

The study will cover the following areas:

1. Make a comprehensive assessment of the telecommunications / regulatory reforms conducted in countries in various regions.
2. Provide an overview of current available technologies and options for future technologies and technological trends.
3. Propose a comprehensive and coordinated vision on the future direction and the general context of the ICT sector in all regions considering phenomenal growth of data traffic due to social networking / use of smart phones
4. Provide recommendations for an enabling ICT policy and regulatory environment to attract investments required for sustainable network roll-out and innovation.
5. Propose guidelines for designing a framework for harmonization of policies and regulations in the broadband environment.
6. Assess the challenge ahead to provide equitable and affordable access to broadband networks and services to all people regardless of the location, the time and other specific circumstances. The main issues are to:
  - Close gaps in the uptake and use of ICTs within countries and between countries and regions;
  - Avoid widening the digital divide between developed and developing countries in terms of broadband penetration levels and bandwidth gap;
  - Improve access to broadband in rural and sub-urban areas ;
  - Leverage on opportunities for human capital development.
7. Analyze the current major issues facing the ICT regulation such as the transition from analogue to digital broadcasting, spectrum management, cyber-security, creating an enabling environment for investment and

growth, net neutrality, NGN Interconnection, climate change, competition issues as well as online social networks.

8. State of play in the ICT sector with particular focus on infrastructure, policies and regulatory frameworks;
9. Indicators and measurements of ICT impact on social and economic development;
10. Progress and achievements made since the reform reports were published;
11. Level of harmonization of regulatory frameworks for telecommunications/ICT for the various regions and sub-regions;
12. Key drivers and factors for technological evolutions and developments that will define and influence future networks and services;
13. New challenges and trends in policy and regulation;
14. Areas in which regulatory capacity needs to be built;
15. Assessment of the achievement of the ICT targets under the MDGs, World Summit on the Information Society (WSIS), Connect Africa Summit and the UN Convention on the Rights of Persons with Disabilities and;
16. Synthesis of the different reports for a global picture and elements of comparison in the world.
17. The final report of the study will provide a comprehensive assessment of the reforms conducted in the various regions and include the policy, regulatory and technological trends as well as recommendations and guidelines for an enabling regulatory framework for ICT development and could be used as input to the Connect the World series (Arab States and Americas), regional preparatory meeting during the preparations for the World Telecommunication Development Conference 2014 (WTDC-14) and in the establishment of strategic plans for the development of ICT sector at national and regional level.

### **Expected results**

A study that will provide guidelines and recommendations to facilitate ICT development in the broadband environment.

The final report of the study will be examined by a regional meeting for its endorsement by the highest governing bodies to give to this report the appropriate legal status.

### **Indicators**

Number of countries covered within the study

### **Justification**

The African Green Paper, the Arab Book and the Americas Blue Book deal with a constantly evolving environment, and therefore need to be regularly reviewed and updated in order to remain useful and instrumental to policy makers and regulators. BDT was requested to disseminate the documents to all ITU Members and other stakeholders in the telecommunications/ ICT sector but also to update the reports on a regular basis in collaboration with ITU members, the regional organizations and sub-regional organizations responsible for telecommunications.

In the regions where there were no report, it is also important to take stock of the situation, to know the progress as well as the successes and failures encountered.

The new studies should build on the earlier studies to assess the reforms undertaken and recommend a new forward-looking set of strategies driven by lessons learnt.

Each country will utilize the document as it thinks fit, in tune with its own public policy and its juridical, administrative and social framework.

This project document aims to specify the project strategies and identifies activities to be carried out under the

project.

### Inputs

**ITU:** The ITU will be the executing agency and will provide skills, knowledge resources (e.g.: experts, relevant ITU publications and papers), due care and diligence to ensure the success of the project. Furthermore, ITU will provide information on the current practices concerning policies and regulatory issues, access to ITU existing materials and relevant publications.

**Funding partners:** Partners are sought for in-cash contributions.

**Beneficiaries:** Commitment and participation of all ITU members will be an important aspect of the project. The beneficiaries are also expected to provide information/data necessary to carry out project activities, access to relevant documents and support as well as any other assistance as required.

### Risks

In-country activities may suffer delays due to unforeseen local events and circumstances. This risk will be minimized as the local staff and ITU Regional/Area Offices will be closely involved in the implementation of this project.

In addition, the regional organizations (AU, ATU, REGULATEL, ECOWAS, CITELE, APT, SADC, EAC, ECOWAS, ECCAS, LAS, PITA, ABU, AIBD, etc.) , and the regulators' associations as well as other organizations involved in ICTs (UNECA, ECLAC, etc.) are closely linked to the project.

### Management

ITU as the implementing agency will supervise overall implementation of the project. Regulatory & Market Environment Division (BDT / IEE) will be responsible for the implementation of the overall project and will work in close cooperation with all the partners and donors.

ITU will identify and recruit personnel (i.e. experts/speakers) of the project in accordance with ITU rules and procedures.

### Monitoring and evaluation

At the end of the project, the ITU project manager will prepare a final report which will include, among others, detailed activities, achievements towards expected results, lessons learnt, and recommendations for future actions. This will then be followed by project closure.

### Work plan

Activities	2011				2012	
	Oct	Nov	Dec	Janv	Fev	March
1. Project design and preparation						
2. Recruitment of the experts						
3. Selection of regional & national counterparts						
4. Report drafting						
5. Adoption/Endorsement of the reports						
6. Dissemination of the reports						
7. Final report and project closure						

**Budget (US\$)**

Experts / speakers / Mission Expenses	455 000
Administration & support costs	70000
Organisation of meetings	
Sundries	130000
	25 000
Miscellaneous	20 000
<i>Total</i>	700 000

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