Agenda

▪ What matters; our raison d'être
▪ Role of the telecom's regulator
▪ How do others see us (Perception)
▪ Various models of regulators
▪ What tools do we have
▪ What issues are really important
What is our *raison d'être*?

- Consider always the five stakeholders
- Accept only what really matters
- Regulate to Outcomes
- Factor Political Realities
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- Factor Political

DIGITAL AROUND THE WORLD IN 2020
THE ESSENTIAL HEADLINE DATA YOU NEED TO UNDERSTAND MOBILE, INTERNET, AND SOCIAL MEDIA USE

TOTAL POPULATION
7.75 BILLION
URBANISATION:
55%

UNIQUE MOBILE PHONE USERS
5.19 BILLION
PENETRATION:
67%

INTERNET USERS
4.54 BILLION
PENETRATION:
59%

ACTIVE SOCIAL MEDIA USERS
3.80 BILLION
PENETRATION:
49%


AJH Communications, llc USTTI, (online) 28Jan21
What is our *raison d'être*?

**Mobile Data Traffic, by Region**

<table>
<thead>
<tr>
<th>Regions</th>
<th>2020</th>
<th>2026</th>
<th>CAGR 2020–2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>11.8</td>
<td>49</td>
<td>27%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>11.3</td>
<td>46</td>
<td>26%</td>
</tr>
<tr>
<td>North East Asia</td>
<td>11.1</td>
<td>41</td>
<td>24%</td>
</tr>
<tr>
<td>India</td>
<td>15.7</td>
<td>37</td>
<td>15%</td>
</tr>
<tr>
<td>Global average</td>
<td>9.4</td>
<td>34</td>
<td>24%</td>
</tr>
<tr>
<td>South East Asia and Oceania</td>
<td>7.6</td>
<td>33</td>
<td>28%</td>
</tr>
<tr>
<td>Middle East and North Africa</td>
<td>6.0</td>
<td>30</td>
<td>30%</td>
</tr>
<tr>
<td>Central and Eastern Europe</td>
<td>7.3</td>
<td>29</td>
<td>26%</td>
</tr>
<tr>
<td>Latin America</td>
<td>5.8</td>
<td>29</td>
<td>30%</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>2.2</td>
<td>8.9</td>
<td>26%</td>
</tr>
</tbody>
</table>
What is our *raison d'être*?
What is our raison d'être?

### USE OF MOBILE APPS BY CATEGORY

**Percentage of internet users aged 16 to 64 who report using each type of mobile app each month**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chat apps (messengers)</td>
<td>89%</td>
</tr>
<tr>
<td>Social networking apps</td>
<td>89%</td>
</tr>
<tr>
<td>Entertainment or video apps</td>
<td>65%</td>
</tr>
<tr>
<td>Games (any type)</td>
<td>47%</td>
</tr>
<tr>
<td>Shopping apps</td>
<td>66%</td>
</tr>
<tr>
<td>Music apps</td>
<td>52%</td>
</tr>
<tr>
<td>Map apps</td>
<td>65%</td>
</tr>
<tr>
<td>Banking apps</td>
<td>35%</td>
</tr>
<tr>
<td>Dating apps</td>
<td>11%</td>
</tr>
<tr>
<td>Health and fitness apps</td>
<td>26%</td>
</tr>
</tbody>
</table>

**Source:** GlobalWebIndex (Q3 2019). Figures represent the findings of a broad survey of internet users aged 16 to 64. See [GlobalWebIndex.com](http://GlobalWebIndex.com) for more details.

**Source:** WeAreSocial.com (Jan 2021)
What is our *raison d'être*?

- Communication
- Accessibility
- Reputation
- Facilitation
Raison d'etre (cont...) 

Those that can impact, and those that will be impacted.

1) Consumer
2) Providers
3) Suppliers
4) Governments or Authorities
5) External influences

<table>
<thead>
<tr>
<th>Influence</th>
<th>Impacted by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand</td>
<td>Offerings</td>
</tr>
<tr>
<td>Functionality</td>
<td>Balance Sheet</td>
</tr>
<tr>
<td>Market Risk</td>
<td>National Priorities</td>
</tr>
<tr>
<td>Speed, Capability</td>
<td>Avail of Capital</td>
</tr>
<tr>
<td>Trade Portfolio</td>
<td>Global economy</td>
</tr>
<tr>
<td></td>
<td>What is desirable <em>outcome</em></td>
</tr>
<tr>
<td>------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td><strong>Competition</strong></td>
<td>Choice</td>
</tr>
<tr>
<td><strong>Investment</strong></td>
<td>Stability Brings Jobs</td>
</tr>
<tr>
<td><strong>Innovation</strong></td>
<td>Leadership Exploit new ideas Encourage efficiency</td>
</tr>
<tr>
<td><strong>Economic Well Being</strong></td>
<td>Connectivity; Safety; Security</td>
</tr>
<tr>
<td><strong>National Priorities</strong></td>
<td>Public Safety Public Good National Security</td>
</tr>
</tbody>
</table>

So what matters...
What is (might be) our Role?

- Perception means more than Rule
- Variants of what our role might be
  - Telecoms sector vibrancy
  - Broadcasting sector vibrancy
  - Competition - fairness
  - Sectoral Developer or promoter
  - Foreign Trade; foreign relations (regional, global)
  - Intl affairs; awareness

Can be one… Can be all…
Regulatory Principles

▪ **Reliance on Market Forces**
  ▫ Primary reliance on private negotiations & industry self-regulation subject to minimum requirements

▪ **Promotion of Competition**
  ▫ Include measures to foster competition in markets previously protected from competition by special rights

▪ **Proportionate Regulation**
  ▫ Ex ante regulatory intervention in markets not yet competitive

▪ **Technological Neutrality**
  ▫ Regulatory requirements based on sound economic principles and be technology neutral
Elimination or Modification of Unnecessary Provisions of the Code
- Reflect development of competition
- Review of Code every 3 years, public consultation
- Licensees may petition to eliminate or modify any provision of Code

Open and Reasoned Decision Making
- Apply provisions of Code in transparent manner

Avoidance of Unnecessary Delay
- Regulator strives to make decisions within timeframes specified & as quickly as reasonably possible
Regulatory Principles (cont...)

- **Non-discrimination**
  - Decisions & directions absent a preference
  - Similarly situated Licensees treated on equivalent basis

- **Opportunity for Review**
  - Licensees affected by Regulator’s decision have opportunity to ask Regulator to reconsider
Giving us a Grade

- Why is it done; what are the motivations?
- How is the evaluation carried out?
  - Direct stakeholder involvement
  - Publicly available or functional data
  - Effectiveness of legislation
  - Observation: Evaluation quantum left to judgement
  - Observation: Facts Tend to grow stale; May not represent present thinking; Interpretation then is dated.
Our Grade (Evaluation Metrics)

ECTA Regulatory Scorecard

WEF Competition Indicators

- Basic requirements
  - Institutions
  - Infrastructure
  - Macroeconomic environment
  - Health and primary education

- Efficiency enhancers
  - Higher education and training
  - Goods market efficiency
  - Labour market efficiency

Austria
Belgium
Bulgaria
Czech Republic

IT infrastructure
Human capital
Legal environment
R&D environment
Support for IT industry development
What Does This Add Up To?

Yes, Reputation Does Matter:

- Shows the importance of Market Outcomes; Better Regulators manage to outcomes, and setting an objective follows that.

- Key Pillars of good regulation:
  - Move away from reactive; Also, transition from ex-ante to ex-post to forbearance
  - Timely decisions; Technological neutrality; Independence; Efficiency (1 stop shop, appeals); Transparency; Respect.
How do we frame the framework?

- An Act
- Regulations/Statutes
- Codes of Practice
  - Competition
  - Buildings/Infra
- Agreements or Commitments
- Licenses
Today’s policy issues that really matter

- Technology Exploitation (Speed Matters)
- Access
- Spectrum As a Scarce Resource
- The Growing Economic and Political Power of Communication
- Security (Societal and Infrastructure)
- Market Vibrancy (Leverage Innovation)
- Economic Barriers  > Dismantle
Industry Dynamics

- Competition
  - The correct balance
  - Stimulate innovation

- Market Liberalization
  - Too many or too few regulations – do they remain relevant

- National Broadband Policies
  - Outcome setting is critical.

- National Spectrum Policy
Industry Dynamics (cont...)

- Interconnection
  - Leveling the playing field – but it is both price and non price terms .......................... Equivalency

- Access and Egress; Fixed and Mobile Termination

- Spectrum policy
  - Allocation
  - Rights assignments
  - Fairness of use

- Mobile Roaming
Societal Concerns

- Public Safety
- National security (cyber...)
  - ...crime
  - ...security
- Privacy and Data Protection
- Protections – misinformation
- Internet Governance
Within and Beyond

- Collaboration
  - Understand best practices

- Trade
  - Bilateral; multilateral trading arrangements
  - Role that the WTO can play
Wrap

- What matters; our raison d'être
- Role of the telecom’s regulator
- How do others see us
- Various models of regulators
- What tools do we have
- Which of today’s issues are really important
Thank You

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