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The Future of Telecommunications and Its Regulation

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Part 1: Anecdotal

- *"Even a journey of one thousand miles begins with a single step"*
- **The challenges are many and big, but we shall succeed**

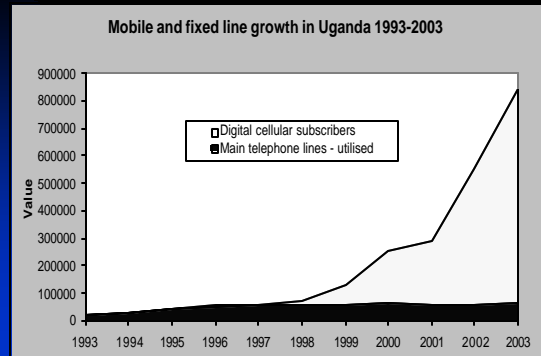
Aside on Uganda (1) ..Also showing telephone coverage

Aside on Uganda (2): Some figures

- **Population of 24.7 million**
- **Land area is 236,040 sq km, of which 36,330 sq km is water.**
- **The human development index improved from 0.338 in 1996 to 0.507 in 1999, but declined to 0.449 in 2001**
- **GDP has been growing steadily at an average of 7.4% annually until it started falling to about 5.6% over the last three years: GPD Per capita, $192 in 2002**
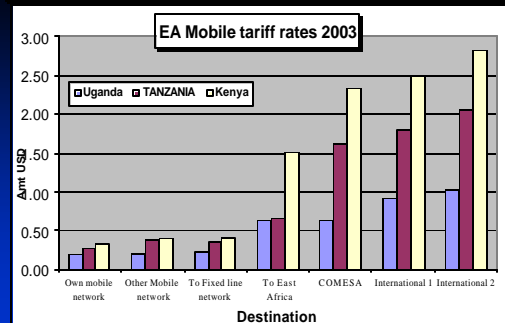- **A very beautiful country, incredible climate, warm people and great prospects**

Aside on Uganda (3): Subscriber growth

Mobile and fixed line growth in Uganda 1993-2003

Aside on Uganda (4) – Providing services, and tariffs (user perspective)

Aside on Uganda (5): Tariffs – Regulator's perspective

EA Mobile tariff rates 2003

Part 2: Reflective

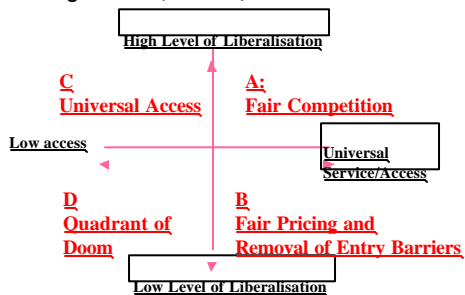- *"Be the change you want to see in the world" – Mahatma Gandhi*

Capacity building focus in LDCs (1)

- **A clear definition of the desired sector outcomes/ objectives is a key to policy and regulatory success; failure is otherwise very likely**
- **ICTs are not the solution, but they are *a critical tool* in overcoming our challenges**
- **Our focus: Use of ICTS to support sustainable human development, *esp. of the marginalised sections of our society* (70-80%)**
- **The required regulatory capacity in LDCs is dependent on this outcome/objective**

Capacity building focus in LDCs (2) - Scenario plane for defining The Capacity Building Needs (current)
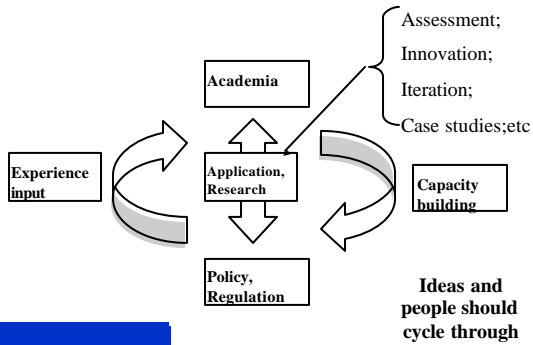
High Level of Liberalisation

C **A:**
Universal Access **Fair Competition**

Low access

Universal
Service/Access

D **B**
Quadrant of **Fair Pricing and**
Doom **Removal of Entry Barriers**

Low Level of Liberalisation

Capacity building focus in LDCs (3) - Regulatory Focus in the Quadrants

- **A: (Given: Universal Access; Market Regulation; "Spoilt for Choice!") – *Fair Competition***
- **B: (Given: Universal Access; Monopoly Situation) – *Fair Pricing, Removal of Market Entry Barriers***
- **C: (Given: Large Number of players; Creaming the market) – *Universal access: RCDF***
- **D: *The quadrant of doom!***

Capacity building focus in LDCs (4) - Strategic Framework: The NetTel@Africa Network

Assessment;

Innovation;

Iteration;

Case studies;etc

Academia

Experience input

Application, Research

Capacity building

Policy, Regulation

Ideas and people should cycle through

Part 3: Predictive

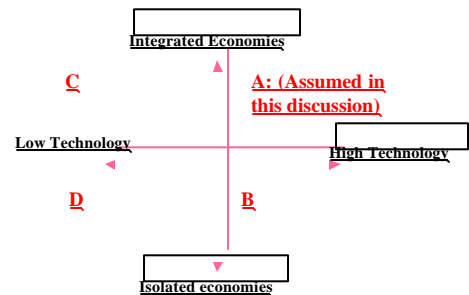- **"I pointed you to the stars, and all you saw was the tip of my finger"**

Telling the Future…

- **Why? So that we can set in place strategies and actions that will change the future to what we want it to be.. ergo, the future cannot be told because having told it, we change it (unless that is also writ..)**
- **Started with the prophets, shamans, wizards, etc requiring sacrifices to pacify various deities…**
- **Has continued with lawyers, engineers, economists, etc, requiring establishment of "independent" regulators to pacify the modern deities (markets, investors, consumers, etc…)**
- **On average, ancient and modern approaches succeed or fail to more or less the same degree!**

The future – some possible scenarios (so that we can tell the future of telecommunications...)

Integrated Economies

C

A: (Assumed in this discussion)

Low Technology

High Technology

D

B

Isolated economies

Demands of the world of the future (1) –
From lectures to my students about the demands on ICT

- Anytime (24x7)
- Anywhere: bathroom, car, office, shopping mall, holiday resort, New York, Kampala, Anchorage, Timbuctu …
- Anything: Conversation, word processing, tax returns, ticketing, entertainment, shopping, research …
- Anyhow: multimedia, hand activation, voice activation, (thought activation?) ….

Demands of the world of the future (2)

- **No technology boundaries - Not interested in the technology, we just want freedom from technology so that we can do what we want ubiquitously (same functionalities with automatically portable personal profiles in any device) ..**
- No service boundaries (the final service provider is simply a gateway)
- No national boundaries (already here technologically, even if we insist otherwise to the general detriment of the sector)
- The total liberation of human beings from locations, giving them seamless access to all services as they move around the globe ...

Are we prepared? (1)

- The same aero planes fly to all countries, rich and poor, but each country is at a different level of development, different needs and with priorities – this will continue to obtain.
- In the transition to integrated economies we must recognise the different regulatory foci in different economies, and work together to bring the entire world to speed
- With the growing elimination of national boundaries, we must define new capacity needs for regulators

Are we prepared? (2)

- To what extent are we putting in place frameworks that will cope with the demands of the future world?
  - Changes in regulatory mind set…
  - Regional/ international approaches to regulation: ceding sovereignty for the commonwealth
  - Creating flexible regulatory frameworks that are responsive to change, avoiding missed opportunities (Remember Charles Darwin..)
  - Do not collect airport tax at airports…
  - etc

Are we prepared? (3)

- **Heard this before? – "I was obeying orders"**
- **Or, "I am simply implementing the law; the license conditions" – regulators are often as guilty as the war criminals. A new attitude, approach is needed.**
- **We all know the disadvantages of national monopoly telcos : Are regulators any different?**
- **In an information world without national barriers, who will regulate the regulatory monopolies, each protecting their national interests?**
- **Who will ensure that new entrants like UCC are not suppressed by "incumbent" regulators like FCC?**

In telecommunications, "no man is an island, entire unto himself"

- *"I am because we are"*
  - *THANK YOU!*