FOREWORD

Communications are an essential means for reaching the “Bottom of the Pyramid” and enabling individuals to reduce poverty and improve the quality of their lives. We currently live in a world in which more Africans have access to a mobile phone than to any other utility or infrastructure service. This widespread technological dissemination creates new opportunities across all segments of society, but also presents new challenges requiring adaptable strategies. Today’s communications landscape is vastly different from the environment in which we developed the first Telecommunications Regulation Handbook ten years ago.

Competitive and open communications markets have created opportunities in countries that previously lagged behind. Competitively priced and technologically varied service offerings have allowed businesses to compete and thrive globally. However, there are still serious market gaps (such as providing widespread high speed broadband services at affordable prices and connectivity to remote areas), that, when coupled with evolving and converging technologies, pose challenges to policymakers and regulators.

Technology is changing telecommunications markets by merging, converging and re-organizing them from the inside-out. The future of telecommunications is being written by SMS and Internet Protocol, as well as by traditional packet-switching, and implemented in applications that tie platforms together, creating services we could not have predicted but on which we have come to depend. Communications technologies alone, however, will not drive the innovation that the developing world needs.

The World Bank Group supports the Telecommunications Regulation Handbook because this essential guide can assist policymakers in evaluating policy options and deciding on appropriate regulations. Their efforts can support thriving economies by allowing individuals to exercise their own ingenuity to lift themselves and their countries out of poverty. As a result of the rapid rate of technological development, business innovation and changes in social attitudes continue to push communications in unpredictable, innovative directions. Well-trained, informed and independent individuals in ministries, regulatory agencies, companies and universities play a critical role in shaping the future of the communications landscape, thereby creating more opportunities for open collaboration, innovation and economic growth.

The World Bank is pleased to make available the Telecommunications Regulation Handbook, both as a resource and as a collaborative platform. These tools benefit the individuals entrusted with creating both a level playing field for and an environment in which communications can reach its potential as a powerful enabling tool for supporting innovation and achieving inclusive sustainable development.

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ITU is proud to present, in conjunction with infoDev and the World Bank, this tenth anniversary edition of the Telecommunications Regulation Handbook charting the transformation of regulatory frameworks in the digital economy.

Today, regulators in the telecommunication industry stand at a crossroads in an era of transition. Since the first edition of the Handbook was published in 2000, the industry has transformed beyond recognition. Over the past decade, privatization has continued apace, mobile telephony has succeeded in connecting half the world’s population, Internet Protocol (IP)-based networks are in full ascendancy, while the Internet now touches upon nearly every facet of our lives – professional and private. Any one of these trends is revolutionary – together, they are nothing short of cataclysmic. Regulators face an understandably daunting challenge in trying to keep up with such a rapid pace of technological change. In many cases, regulators are seeking to cope with the challenges of convergence and the new online world with old-world tools.

It was in order to equip regulators to deal with these and similar challenges that the first Telecommunications Regulation Handbook was published. Following its success, infoDev and ITU produced a comprehensive online set of resources for cutting-edge, best-practice regulation, which is essential to the growth of information and communication technology (ICT) services, applications and devices – the ICT Regulation Toolkit. The Toolkit is regularly updated and augmented to serve as a compass for regulators facing the ever more complex challenges involved in industry transformation and regulatory reform.

Now, more than ever, regulators need guidance and a solid basis on which to build sound foundations for the future digital economy. They can no longer afford to focus narrowly on classically defined mandates and market definitions. Rather, regulators must understand the evolving converged environment to deal with new and unprecedented issues transcending the original scope of their regulatory practice. A trans-sector focus tailoring regulation to help multiply the effects of ICTs across all sectors of the economy can prove helpful – whilst ensuring that large segments of society are not excluded from the benefits of access to ICTs. Last but not least, regulators need to seek and apply durable policies and principles that can be continually brought to bear in a changing market. Both the Telecommunications Regulation Handbook and the ICT Regulation Toolkit will continue to assist regulators in marshalling the regulatory expertise they need to navigate the rough seas of technological evolution.

This new edition of the Telecommunications Regulation Handbook captures the new market and regulatory strategies to optimize investment in broadband networks and ICT services. As the following chapters show, many of the evolutionary and revolutionary changes in regulation that made possible the mobile miracle of connecting 5 billion users worldwide with access to ICTs, as well as over a billion fixed and mobile broadband subscribers, are still valid today. But for markets to truly flourish, regulators also need new, inspired regulatory approaches that are as innovative as the technologies they regulate.

This new and revised edition of the Handbook focuses on examining these new expectations and identifying the regulatory approaches taken throughout the world to stimulate ICT growth in a converged environment and increase access to broadband services. I hope that the Handbook will prove invaluable to all its many different types of readers, but especially to ICT regulators and policy-makers in both developed and developing countries alike.

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