

**TELECOMMUNICATIONS AUTHORITY
OF TRINIDAD AND TOBAGO**

**COMMONWEALTH TELECOMMUNICATIONS ORGANISATION
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**REGULATING DEVELOPMENT
THE ROLE OF THE REGULATOR**

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Outline

- Importance of ICTs to National Development
- The Role of the Regulator
- Adapting Regulation to meet Development Initiatives
- Adapting Regulatory Approaches to Emerging services e.g. OTT
- Concluding Remarks

How ICTs affect National Development

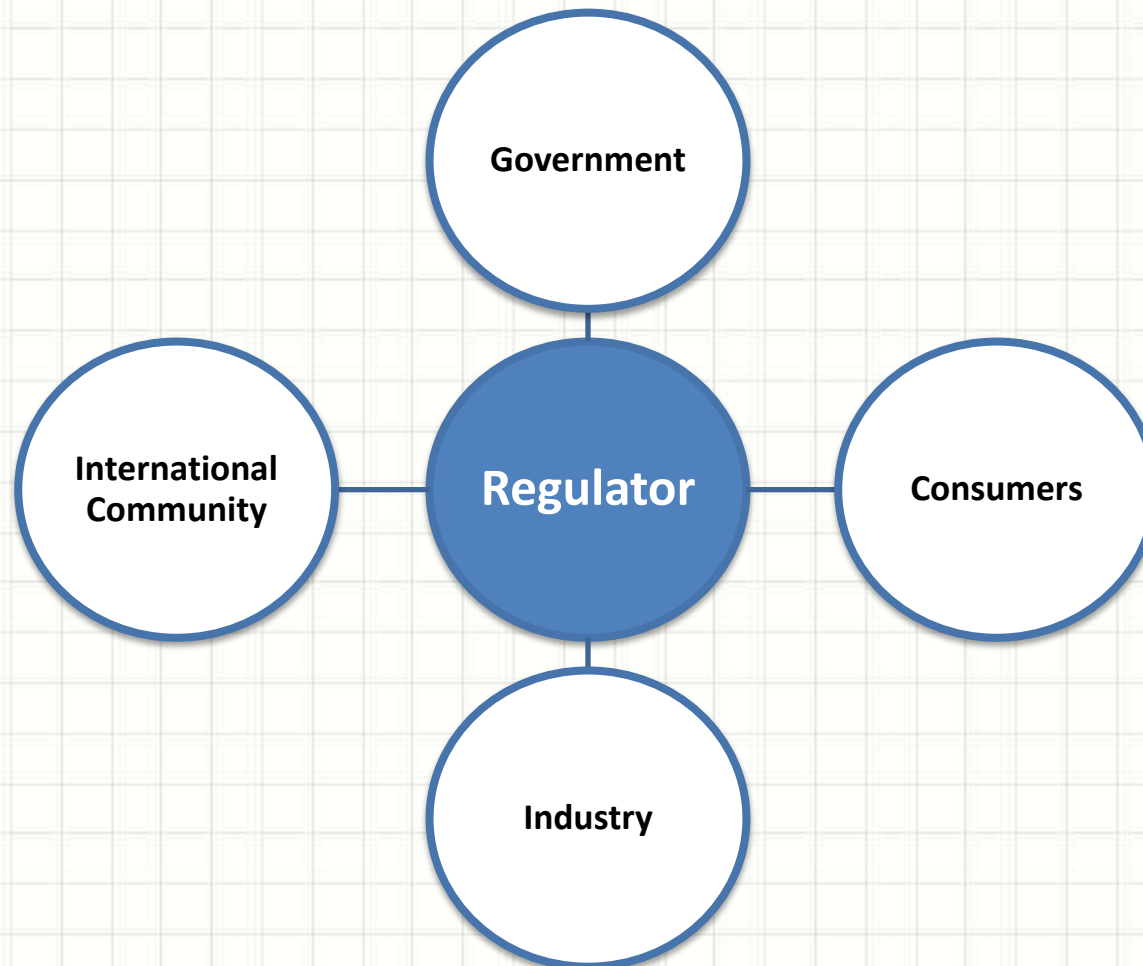
- The **Broadband Commission** has identified “...the strong links between broadband and [national] development and urges Member States to continue to push for inclusion of ICTs and broadband as key enabling transformative technologies...”
- Most countries, particularly developing countries, have developed an aggressive ICT agenda.

An effective ICT policy and focused ICT plans have become key drivers for improved national competitiveness and faster GDP growth.



Role of the Regulator in Regulating ICT Development

- Responsibilities to various Stakeholder Communities



Government as a Stakeholder

The Role of the Regulator:

- Advises Government on National ICT strategy, policies and plan
- Implements Government Policies and Plan towards ICT development
- Ensures alignment with National Development Initiatives

Legal and Regulatory Framework:

- Implements of ICT / Telecommunications/Broadcasting /Electronic Communications Legislation
- Develops specific ICT Regulations pursuant to Legislation (e.g. access to facilities, interconnection, quality of service)
- Develops Related ICT Legislation and Regulations (e.g. cyber security, e-transaction, data protection)



Industry as a Stakeholder

The Role of the Regulator:

- Promotes a **liberalised** and **competitive** environment
- Implements **fair, transparent** and **non-discriminatory** measures and approaches
- Institutes **dispute resolution** mechanisms

Key frameworks required:

- Authorisation
- Interconnection
- Access to Facilities
- Number Portability
- Universal Service
- Competition
- Quality of service
- Dispute resolution



Consumers as a Stakeholder

The Role of the Regulator:

- Ensures services are **available, accessible** and **affordable**
- Ensures a high **quality of service**
- Protects **rights** of consumers

Key frameworks required:

- Consumer Rights and Obligations Policy (CROP)
- Universal Service
- Pricing
- Network QoS
- Consumer complaints resolution



International Community as a Stakeholder

The Role of the Regulator:

- Ensures compliance with International standards (ITU)
- Adheres to treaty obligations (WTO, EPA)
- Promotes a harmonized approach among regional regulators
- Promotes cooperation among regional and international regulators





ADAPTING REGULATION TO MEET DEVELOPMENT INITIATIVES



Adapting Regulation to meet Development Initiatives

Competition and Regulatory Initiatives Employed in Meeting the Agenda

TATT is a Converged Regulator of Telecommunications, Broadcasting, Resource Management (Spectrum, Numbering) and (Proposed) Competition Regulator

A. The Legal and Regulatory Framework

- **Amendments to the Telecommunications Act**

- Amendments were proposed to the Telecommunications Act, Chap 47:31 to allow TATT comprehensive competition powers, ability to levy administrative penalties, etc.
- Further amendments made to comply with the Economic Partnership Agreement (EPA), a CARIFORUM Treaty with the European Community.
- The EPA calls for the further liberalization of key aspects in the telecommunications sector particularly with respect to the authorisation of services

Adapting Regulation to meet Development Initiatives

C. Relevant Policies and Principles

- In view of the proposed legal and regulatory amendments, TATT has developed a draft Competition Management Framework for the execution of its pending competition powers.
- TATT is also guided by Principles on Competition and Regulation, which include:
 - Promoting fair, effective and sustainable competition in telecommunications and broadcasting markets.
 - Facilitating market development through proportionate regulation, as far as practicable;

Proportionate Regulation: The Authority will act via proportionate regulation, to encourage market development through natural market forces, as far as practicable. Whilst the Authority must intervene in situations of market distortions, acts of unfair competition and anticompetitive pricing, the Authority will seek to minimise any regulatory burden of its intervention.

- Other Relevant Frameworks and Regulatory Instruments



Adapting Regulation to meet Development Initiatives

B. Regulatory Reform

- Revisions have been made to TATT's Authorisation Framework to comply with the EPA which include:
 - Service Authorisation (by Notification) for Public Telecommunications and Broadcasting SERVICES.
 - Continued grant of Concessions for Public International & Domestic, Fixed & Mobile Telecommunications NETWORKS.

The Revisions to the Authorisation Framework continues to promote no barriers to entry in local markets, thereby advancing investment and competition.

Adapting Regulation to meet Development Initiatives

D. Other Legislative Developments to Enable meeting the ICT/Broadband Targets

Legislation currently underway to enable Broadband Development

Data Protection Act and Regulations <ul style="list-style-type: none">• Partially proclaimed	Electronic Transactions Act and Regulations <ul style="list-style-type: none">• Partially proclaimed	Cybercrime Bill and Cyber Security Agency Bill and Regulations	Electronic Transfer of Funds Crime Amendment Act and Regulations	Exchequer and Audit Act Amendment & Regulations
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ADAPTING REGULATORY APPROACHES TO TREAT WITH EMERGING SERVICES:

EXAMPLE OVER THE TOP SERVICES



Adapting Regulatory Approaches:

OTT

OTT Messaging
e.g Whatsapp

OTT Voice
e.g Viber

OTT Media
e.g. Netflix



- One operator attempted to block Viber in 2014
Concerns raised by the population
- Regulatory intervention by the Authority resulted in the operator reversing its decision to block the Viber app on its network pending investigation.
- Operator complied with the Authority's request

Key Arguments

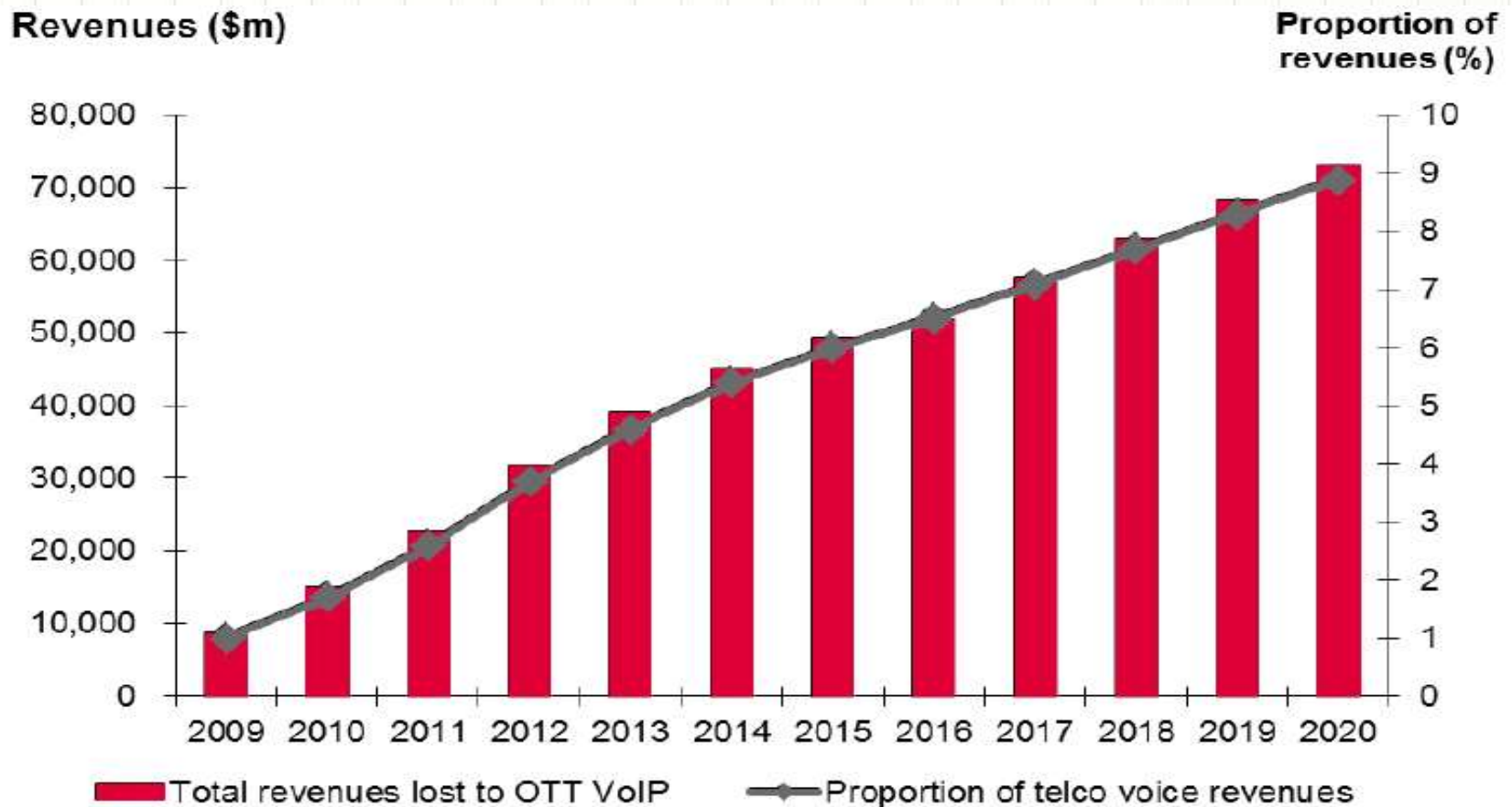
Consumers' key arguments

- OTT services are more affordable, accessible, and convenient than traditional telecommunications services
- Mobile data subscribers pay to access the Internet with the understanding that it is inclusive of all services offered over the Internet.

Operators' key arguments

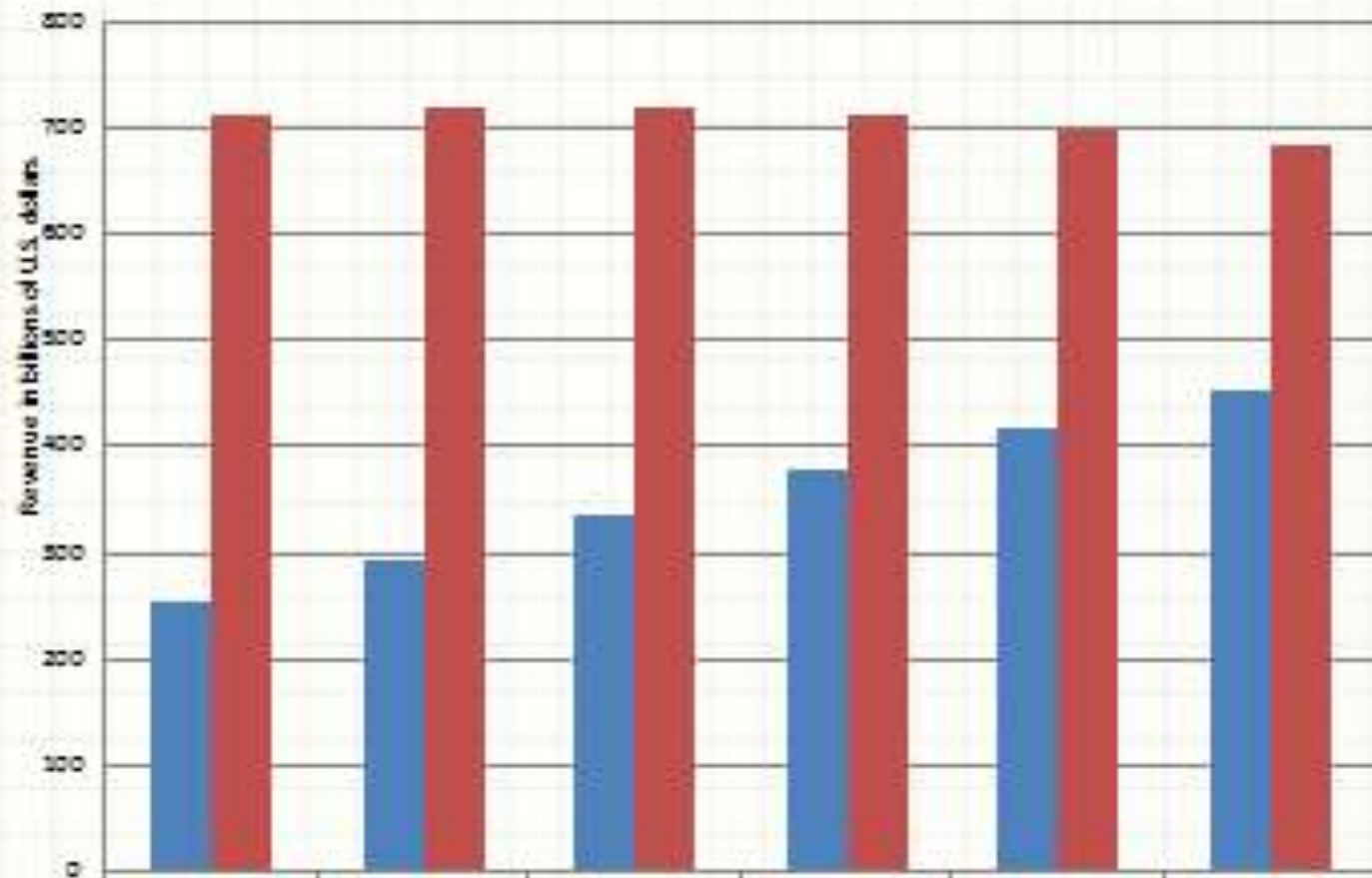
- There is a relationship between the loss in voice and SMS revenues and the increase in mobile data revenues.
- OTT VoIP operators, should be required to register locally in order to fall under the country's regulatory oversight and for the Government to collect relevant tax revenues.
- OTT operators should contribute fairly towards the use of the local telecommunications operators' networks

OTT: Global Financial Impact - Total revenues lost to OTT VoIP for the period 2009 – 2020



Global Data and Voice Revenues

Global data and voice service revenues from 2010 to 2015



■ Mobile data revenues USD (billions)	255	284	336	377	416	453
■ Voice service revenues USD (billions)	715	720	718	710	698	684



Regulatory Options

Aggressive/Prohibitive
Strategy – Blocking of
OTT VoIP

Collaborative
Approach

Opportunistic
Approach

Development of a Framework for OTT

- On-going Consultation: **‘Towards the Treatment of OTT’**
- Proposed recommendations from paper:
 - Maintain “Free and Open” Internet policy. Do not allow services providers to “block” any OTT services
 - OTT service providers classified as providing public telecommunications services and broadcasting services. Some level of oversight will be required
 - A Collaborative arrangement (negotiated agreement) between OTT VoIP operators and authorised telecommunications service providers should be considered
 - Service Providers to consider the packaging/bundling of “premium” services
- Stakeholder comments to be considered in devising a final position



Concluding Remarks

- Enabling Legal and Regulatory Framework is essential
- Regulatory Framework should embody the following attributes:
 - Promote Competition
 - Technology Neutral
 - Services Neutral (as far as possible)
 - Effective Resource Management
 - Forward looking
 - Certain and Consistent in application
 - Act in the interest of all stakeholders with a focus on customer welfare
- Forbearance is a key tool

Thank You

Questions?

