International
Telecommunication
Union

ITU

Overview of Regulatory Training

Mongolia
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Agenda

• Paradigm shift in the era of digital economy & divide

• What are the major policy & regulatory challenges in ICT, today ?

• What and how to implement the training in Mongolia

Paradigm shift in Digital Economy & Divide

Shift from
• Industrial society;

• Centralized control or regulation from regulators or monopolies in telecom;

• Significant market powers of incumbents, conglomerates or MNCs.

to

• Information society with a knowledge-driven digital economy;

• Deregulated or privatized telecom; & Industry-led self-regulation & power of individual users' fingertips over convergence of ICT, especially in the advent of Internet;

• Micro, small & medium-sized entrepreneurs esp. in the era of *e*Business or *e*Commerce; &

• Almost 'instant global village' connected by various technologies and services ....

Slide 1

What are the regulatory trends over decades ?

2000 & beyond
Convergence of regulations & institutions in computing, broadcasting, & telecom

By 1999: some 80 countries
separating regulatory function from policy-making with competition safeguard
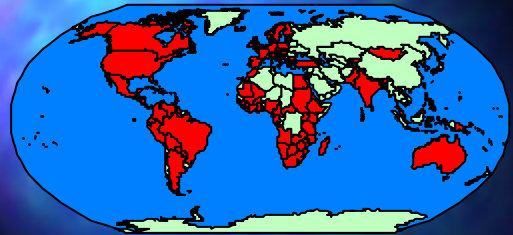
1980s-1990s: many
separating operational function by liberalization or privatization

Until 1970s: most
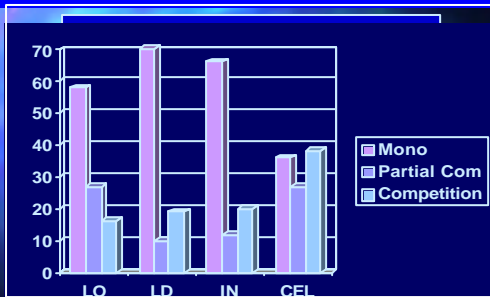state monopoly for all functions in telecom

Slide 2

Global trends of regulators

Countries with Separate Regulatory Body

Slide 3

Liberalized trends in Asia-Pacific, 2000

- Mono
- Partial Com
- Competition

Chart axis values: 0, 10, 20, 30, 40, 50, 60, 70

Categories: LO, LD, IN, CEL

Slide 4

Not merely deregulation nor competition, but with minimum competition safeguard !

- Increasing concerns over private anti-competitive practices led by liberalization or privatization;
- Some 80 countries (inc. 50 developing ones) adopted competition policy including laws & other measures to promote competition in the national economy through dealing with price fixing, cartel arrangements, abuses of a dominant position or monopolization, mergers that limit competition;
- The privacy laws, cyber law, dispute settlement over domain names, and Certificate Authority began to be introduced in the advent of Internet & ecommerce;
- Developing a multilateral framework on competition & e-commerce policy within the WTO is under the review.
- **Challenges** are how to timely implement or balance hands-on or-off regulations with appropriate regulatory frameworks in the converged era.

What kind of regulatory frameworks ?

- **Licensing**: criteria and fees ?
- **Competition safeguard**: prevent anti-competitive practices
- **Interconnection & charges**: commercial agreements or prescribed by regulator?
- **Universal Service Access/Obligation**: scope (e.g. basic telephony or beyond) and its funds (e.g. incumbent only or all) ?
- **Pricing**: return on investment or price cap ?
- **Numbering & number portability**: within and/or beyond market segments ?
- **Quality of services**: waiting time, any echo, bad connection ?
- **Management of scarce resources**: e.g., spectrum, numbers etc. (e.g., first-come first-served or auction) and fees ?
- **Structural & accounting separation etc.**

Training on Focused Regulatory Frameworks in Mongolia, July 2003

- **Licensing**: as a tool for market entry in liberalized, competitive & converged ICT markets
- **Competition safeguard**: as a tool to prevent anti-competitive practices
- **Interconnection & charges**: as a tool to ensure faire, non-discriminatory and transparent competition
- **Universal Service Access/Obligation**: as a tool to ensure access to ICT services
- **Convergence**: as a technological, industrial & regulatory trend and practice in the ICT sector

Structure of the Regulatory Training in Mongolia, July 2003

- Overview of **regulatory issues and challenges** faced by Mongolia
- In-depth **theoretical and practical training** on the focused regulatory frameworks such as competition, interconnection, and universal service
- **Suggestions or recommendations** to improve or solve the regulatory issues and challenges faced countries like Mongolia

Expected Outcomes

- **Interactive and in-depth training and dialogue** among regulators and experts to understand the facing regulatory issues and to seek solutions to tackle the specific regulatory challenges and difficulties;
- **Produce regulatory modules with solutions** to assist Member States like Mongolia in liberalized, competitive, and converged telecommunication, esp. ICT, markets; &
- The regulatory training modules to be utilized through various means of ICTs (e.g., CD, Web etc.) and virtual/distance learning

More information ?

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