

Development Symposium for Regulators



**Synergy Creation as a
Regulatory Model**

Nestor Roa Buitrago - Executive Director

Geneva, 20 -22 November 2.000

Colombia

•Population

42.3 M inhab.

LA's third largest

•GDP / Capita

2.600 US

3.1% grow 80-99

•Active Internet Users

500.000

1.2M for 2.003

•e-commerce Revenues / inhab.

2.95 US / Year

12 US for 2.003

•Telecommunications Density

•Fixed

18.4 %

in 115 years

•Mobile

4.73 %

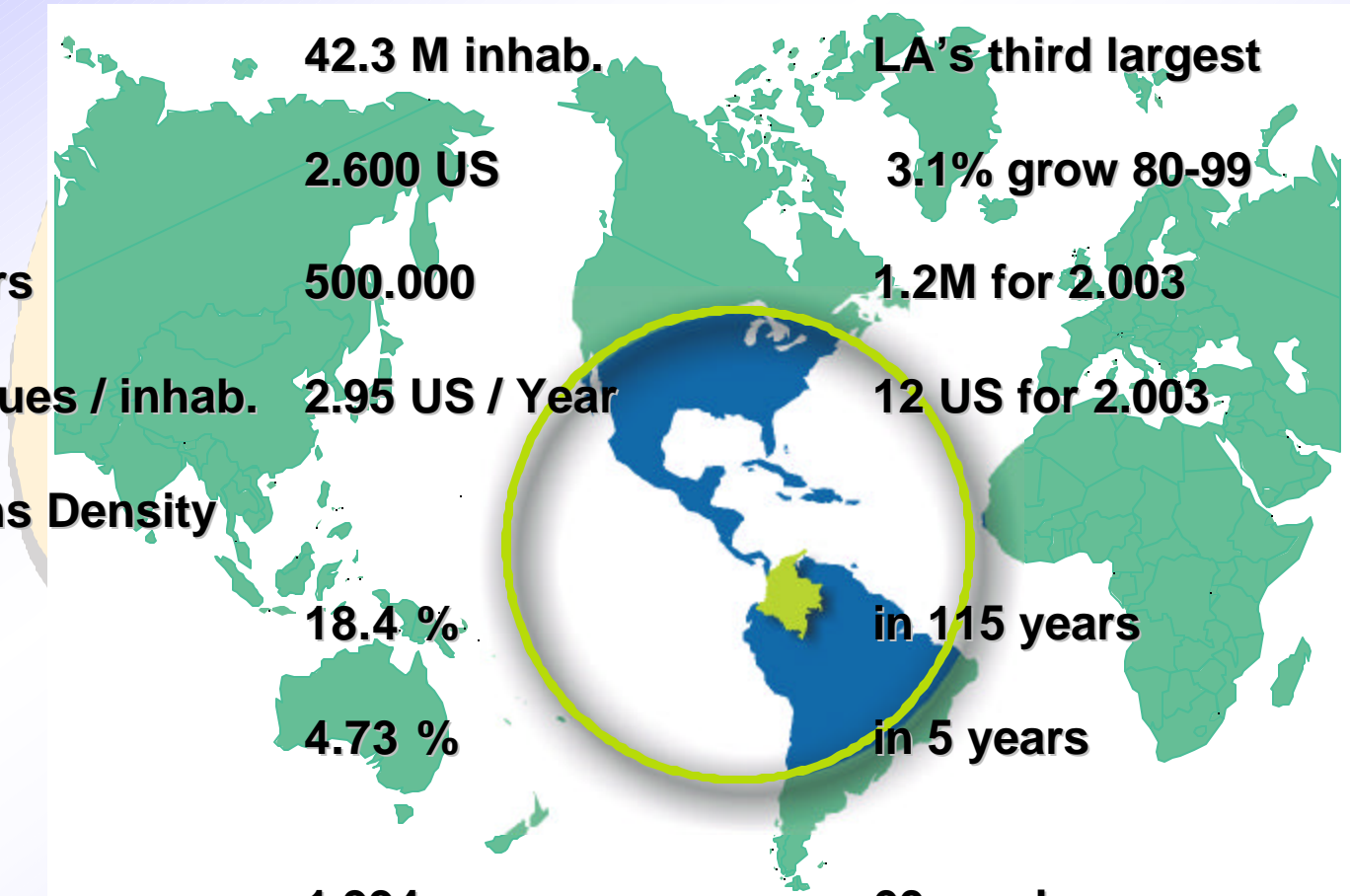
in 5 years

•CRT

•Creation

1.994

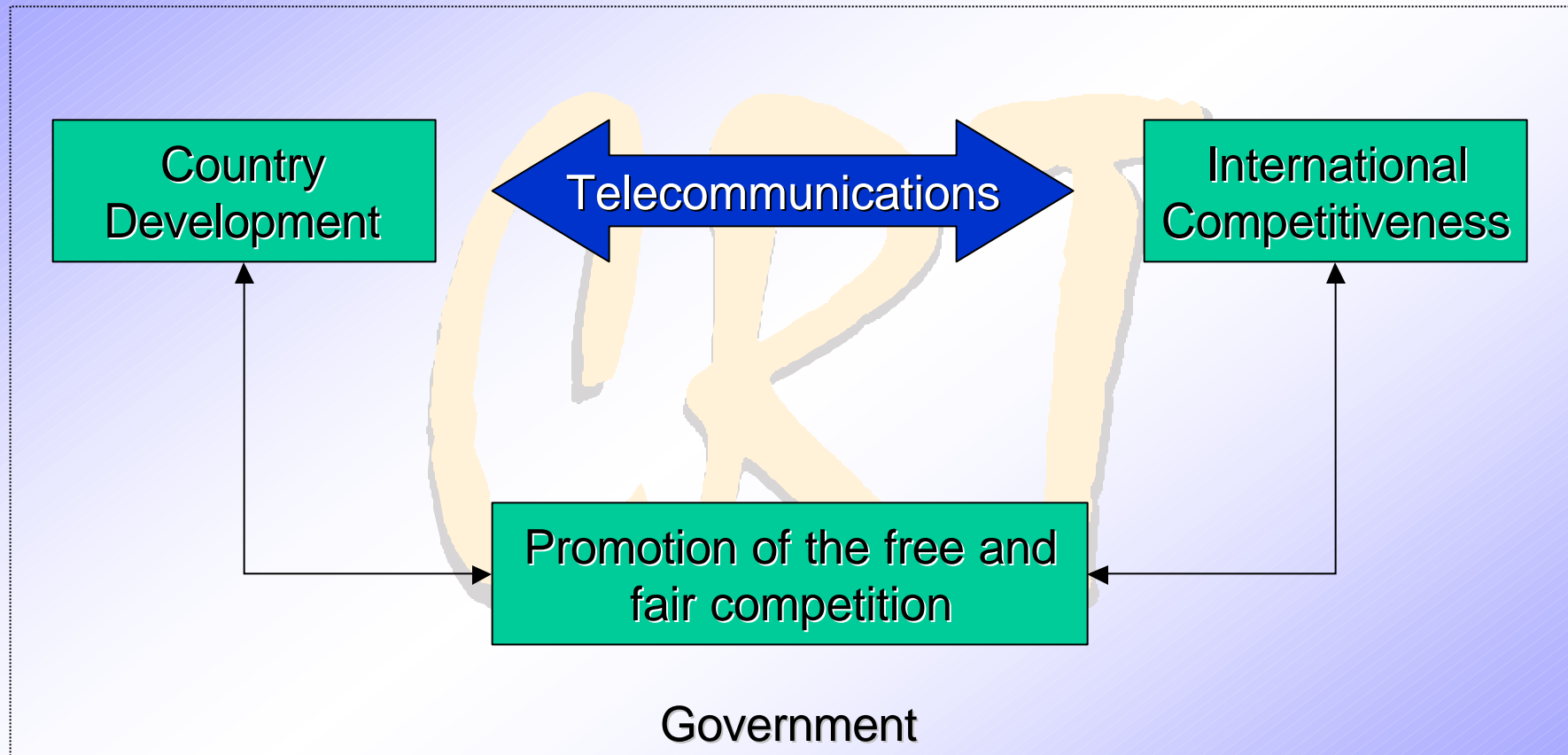
60 employees



Contenido

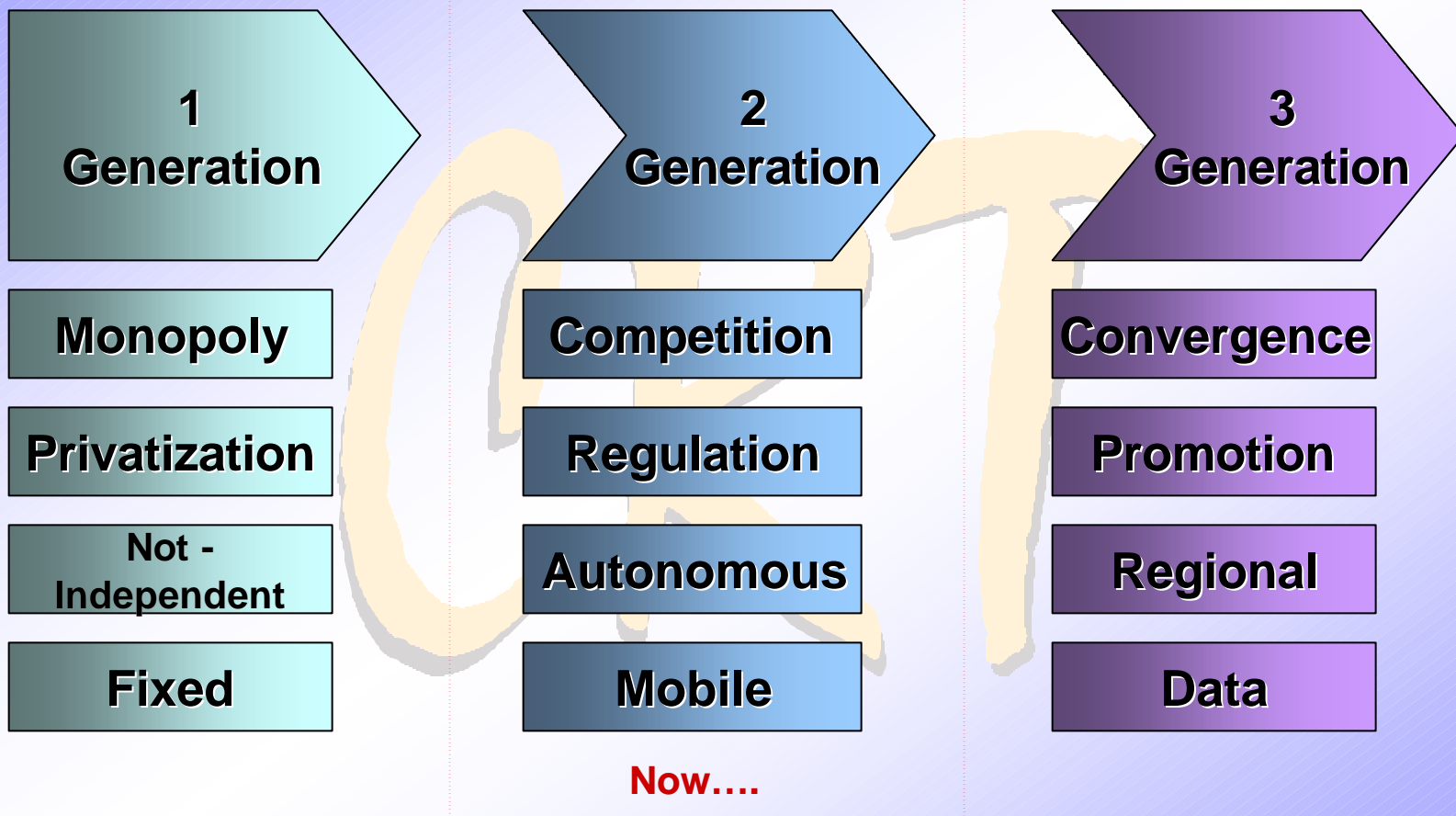
- **Development Strategy**
- **Regulation Model**
- **Regulatory Convergence**

Global Concept



Telecommunications are an strategic factor

Regulators Evolution



3rd Generation Regulators will deal with convergence, proactive promotion of the information society development and regional integration

Telecoms Sector Development Equation:

Development = Companies + Users + Government

The independent and autonomous Regulator?

$F(\bar{x})$

Development = (Companies + Users + Government) $F(\bar{x})$

\bar{x} = (Regulate as little as possible,

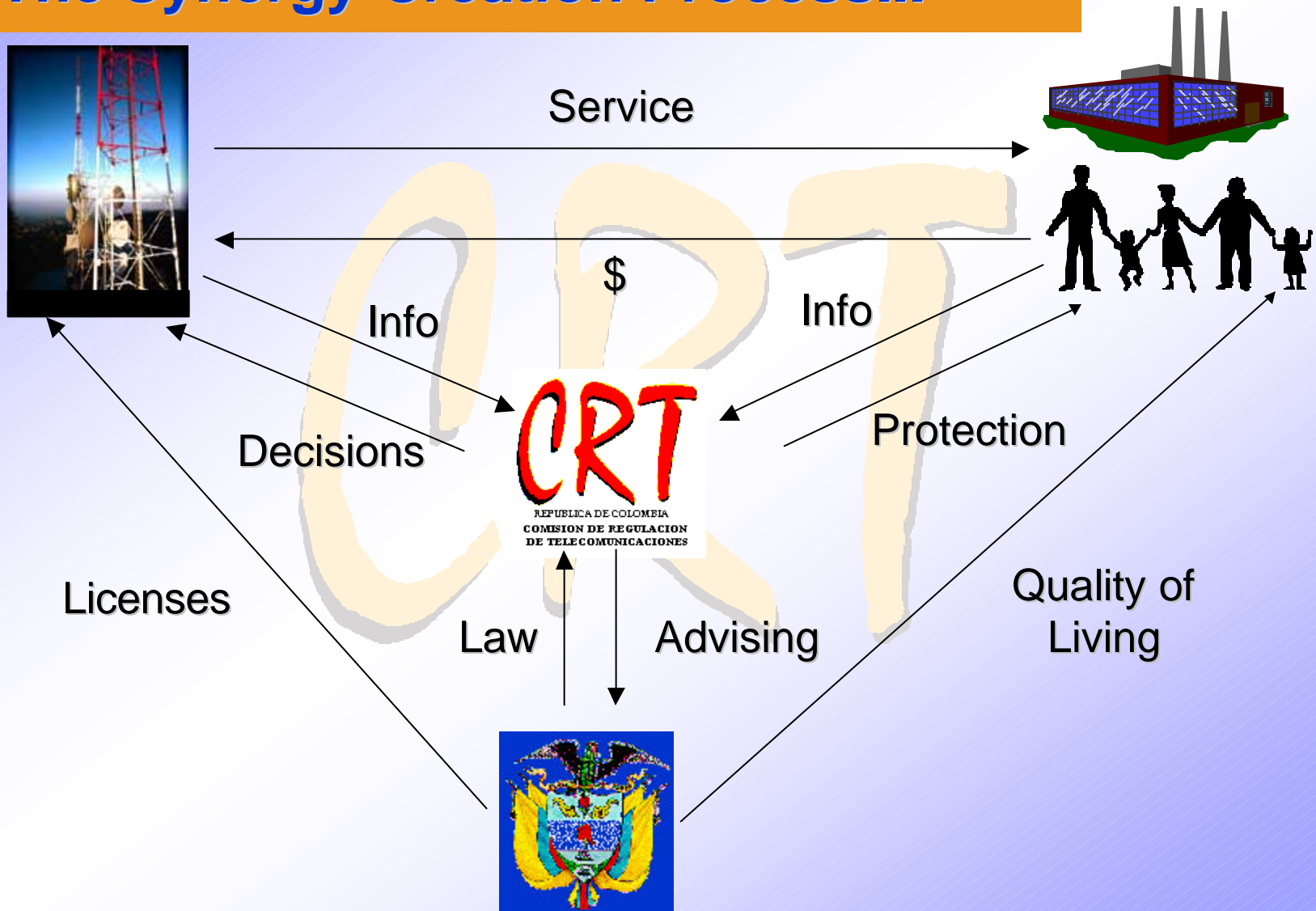
Consumer Protection,

Universal Service

Free Market Development

Regional Integration)

The Synergy-Creation Process...

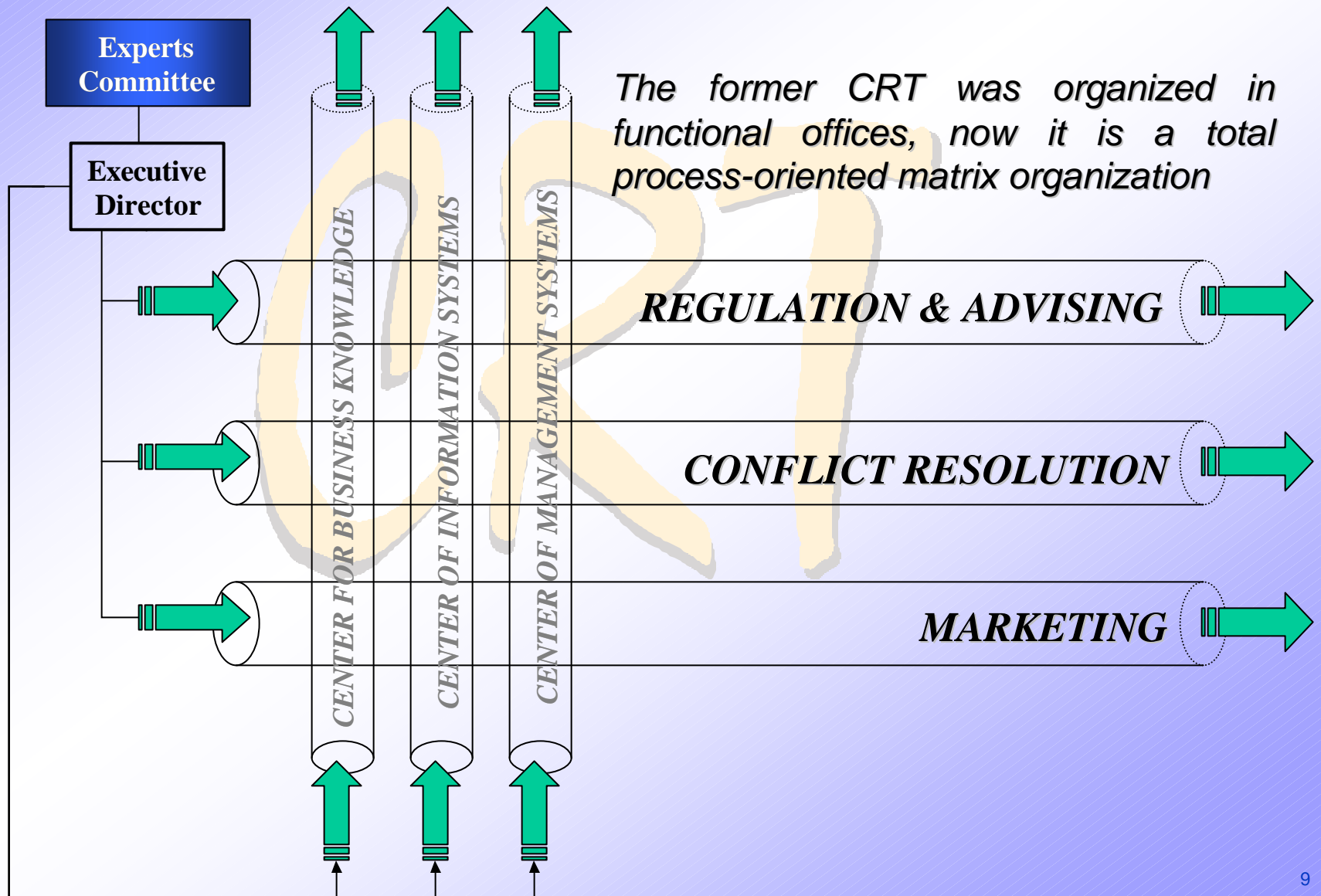


Development = (Companies + Users + Government) $F(\bar{x})$

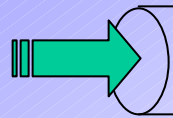
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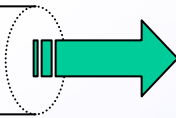
Colombian Regulator Structure for Synergy-Creation, Process Oriented



To regulate as minimum as possible...

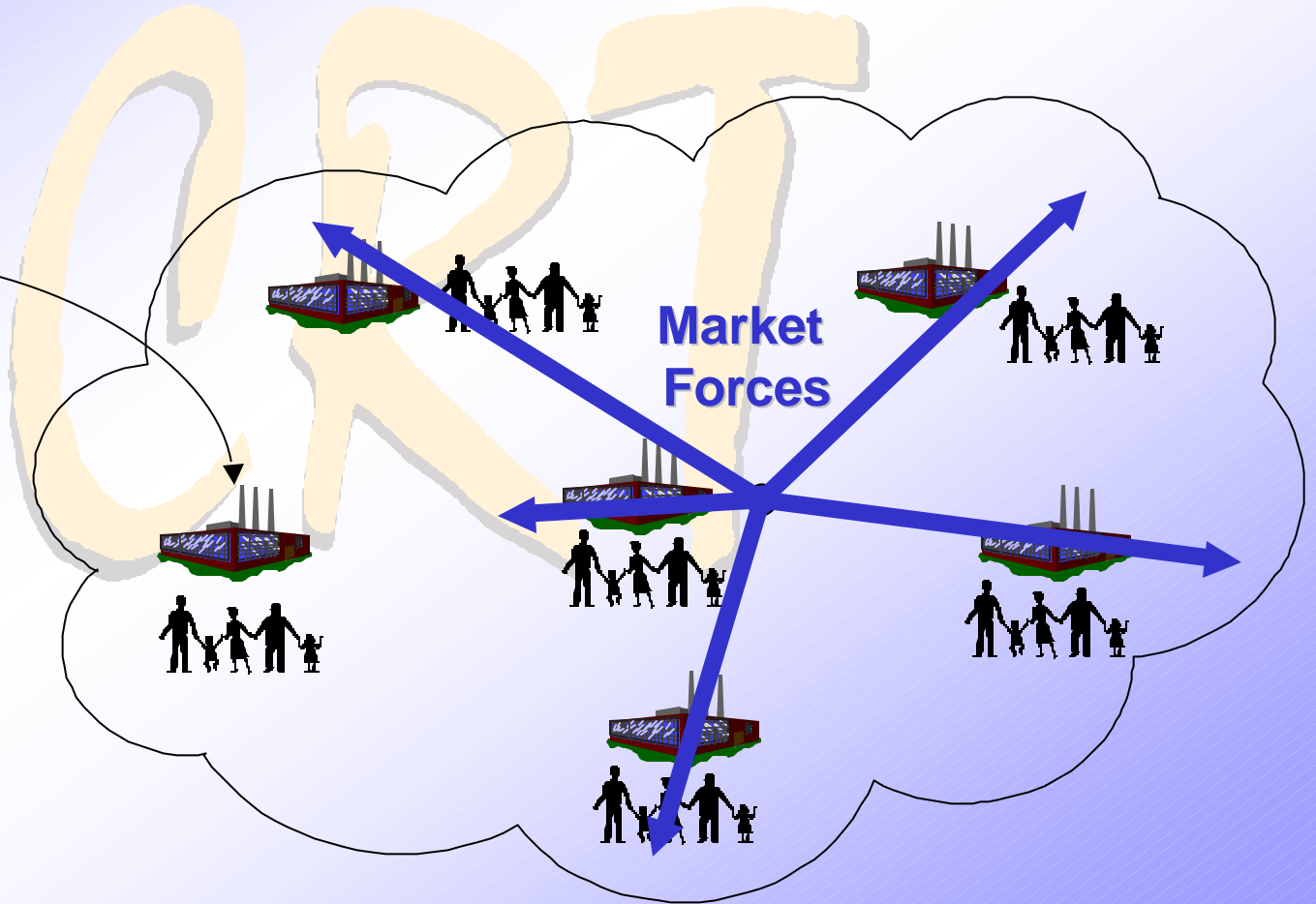


Regulation & Advising



Decisions solving market distortions

Decisions are not necessarily norms, there are other mechanisms and tools to regulate.



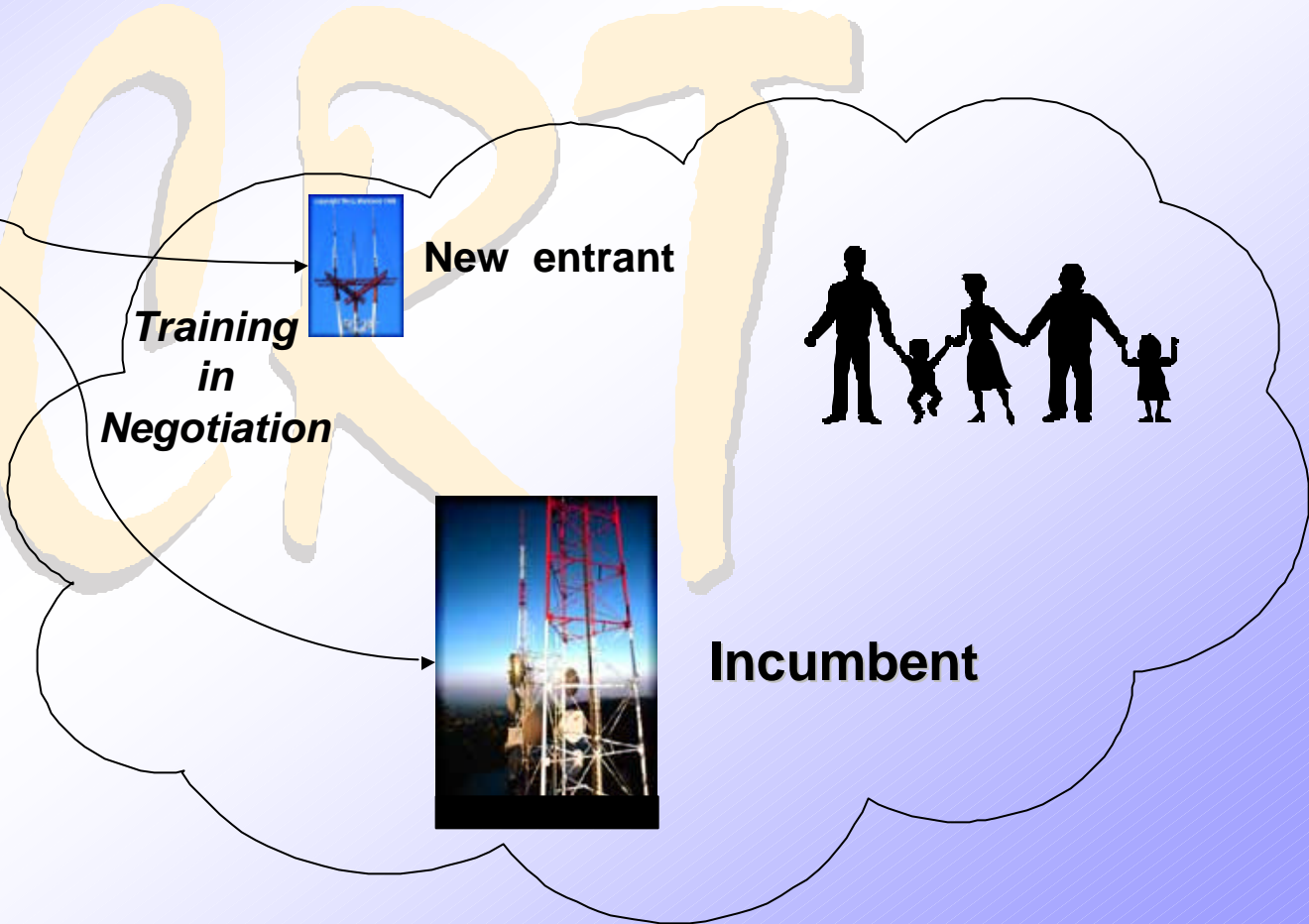
Telecommunications Market

Mediation-Oriented Process

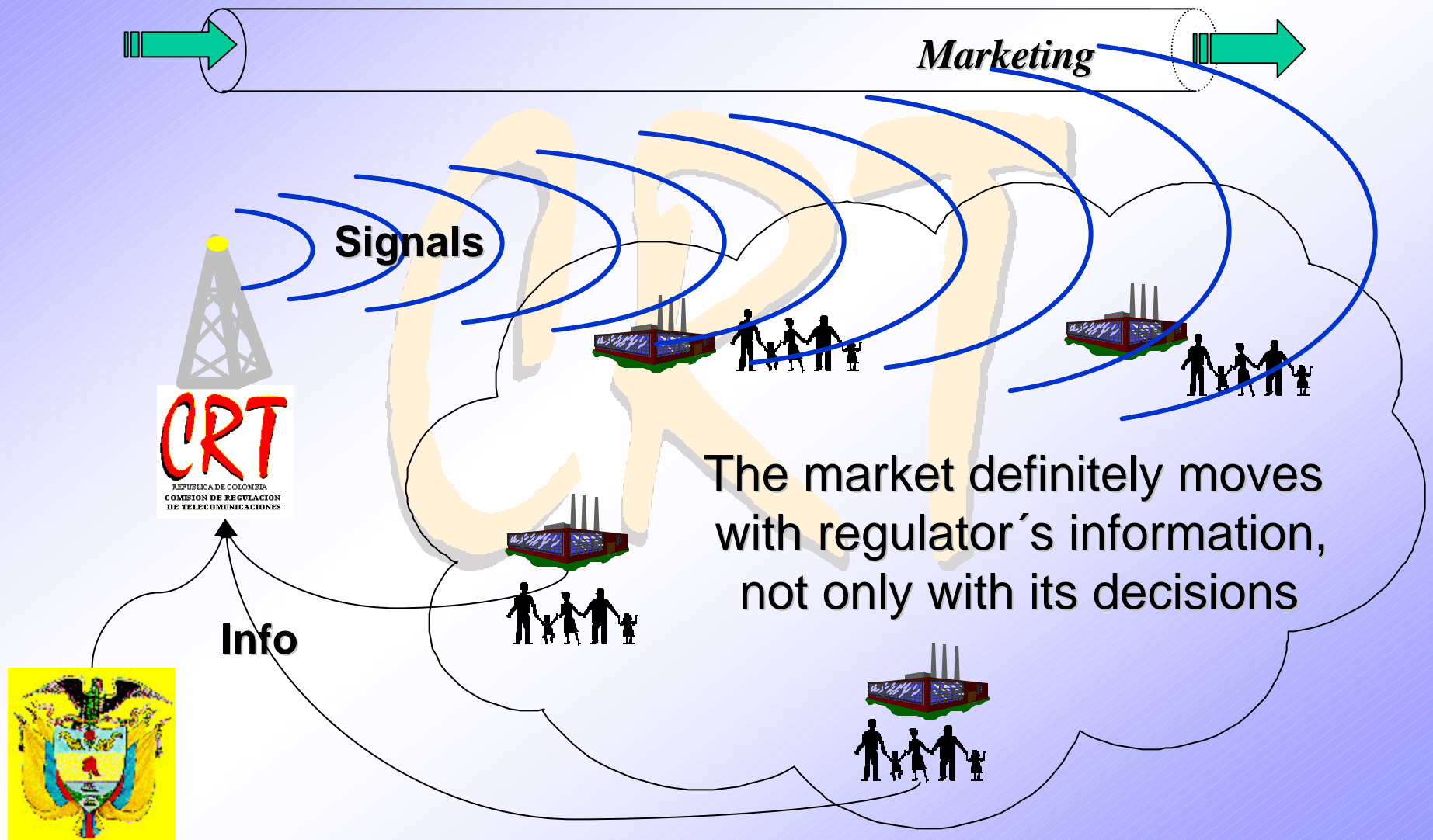


Mediation,
not
Arbitrage

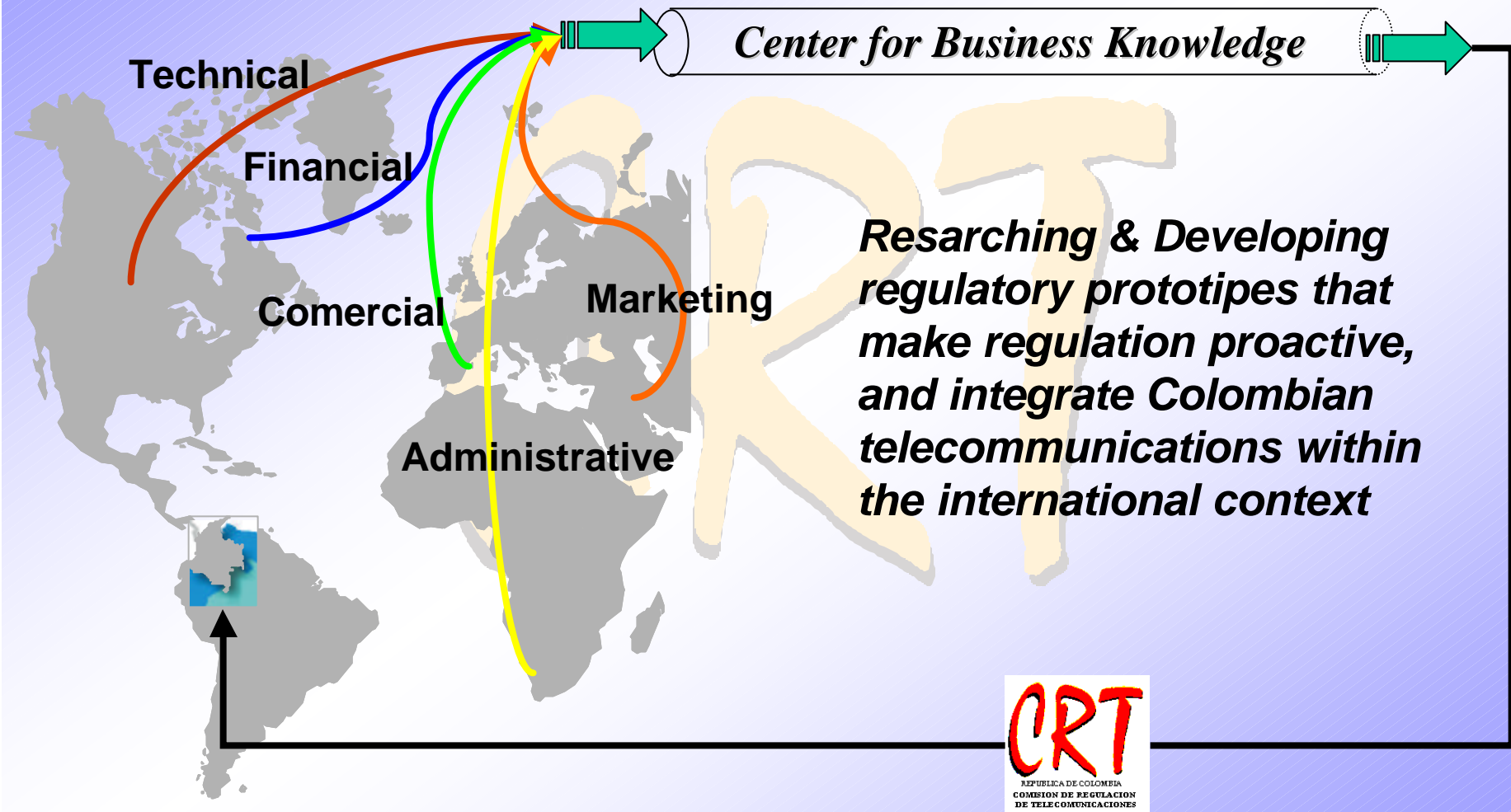
It is not enough to demonstrate one thing: you have to induce people to it
F.W. Nietzsche



Information making the market to react....



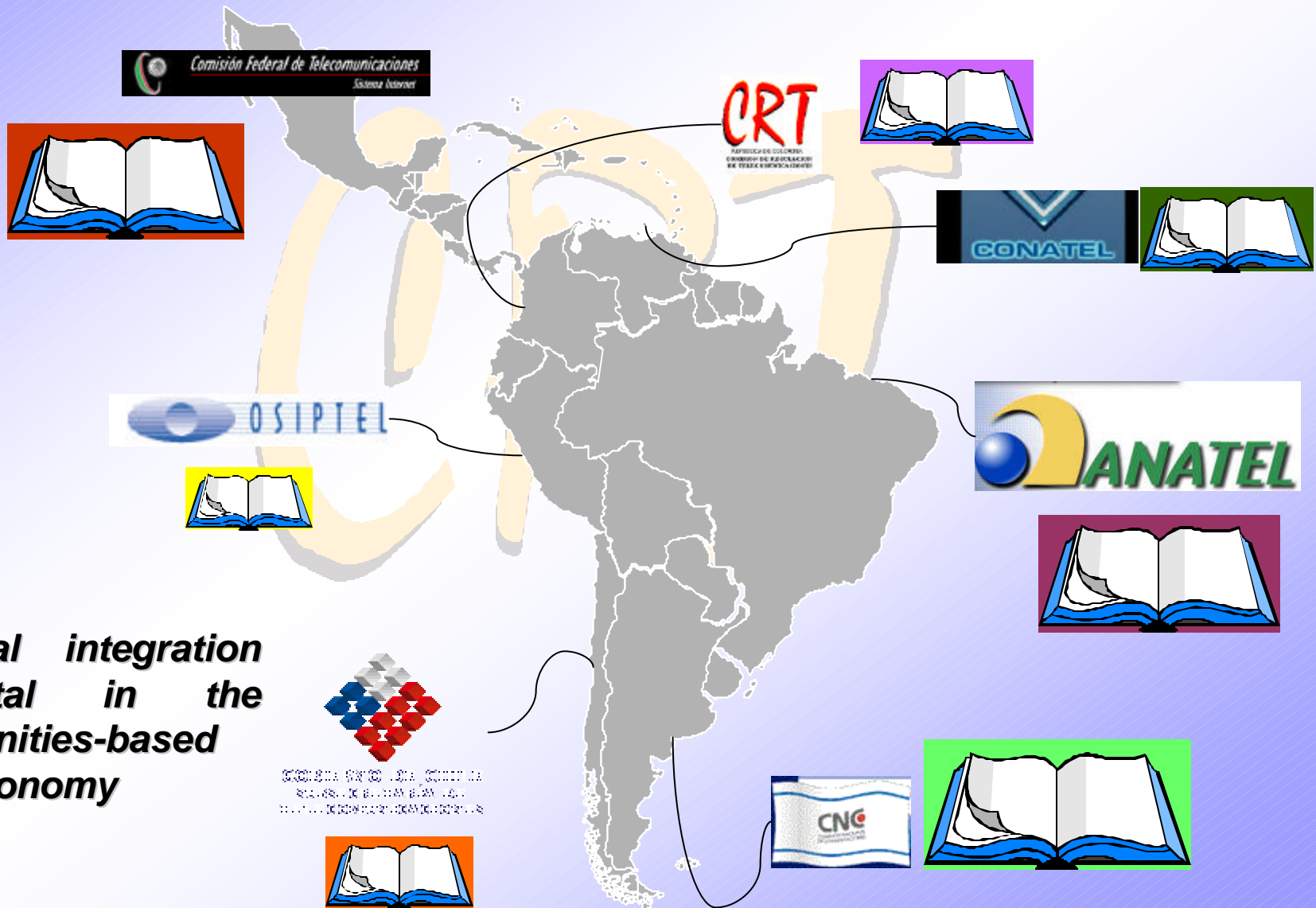
The Knowledge Creation Process..



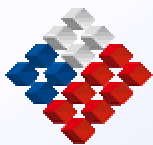
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Synergy creation must extend to common markets....



Regional integration is vital in the communities-based New Economy



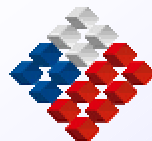
COMISIÓN FEDERAL DE TELECOMUNICACIONES
SISTEMA INTERNET



The answer to make markets more attractive and to exploit benefits for users is regulatory convergence...



Common agreements across governments in information technology related issues are fundamental



ORGANIZACIÓN DE LOS ESTADOS AMERICANOS
ORGANISATION DES ETATS AMERICAINS
ORGANIZACIÃO DOS ESTADOS AMERICANOS

Conclusions

- The development model based on synergy creation makes the regulator a ***value generator*** to the sector and not just an actor
- The regulator's organizational structure must be based on the country's development model, in the case of Colombia the answer was a ***process oriented*** entity
- The regional integration is vital in the new economy, administrations must give ***legitimacy to supranational organizations*** in each country to make decisions mandatory across the board

Thank you

For further Information:

<http://www.crt.gov.co>

atencioncliente@crt.gov.co

Carrera 11 No. 93 - 46 Piso 2

Bogotá D.C., Colombia

Tel.+ 57 1 635 5550 Fax. + 57 1 635 5551