



5th ASIA-PACIFIC REGULATORS' ROUNDTABLE

24 - 25 August, 2015
Kuala Lumpur, Malaysia

Outcomes Report

Under the central theme: "Facing the Telecommunication/ICT Regulatory Challenges in the Digital Economy", the 5th Asia-Pacific Regulators' Roundtable (ITU-MCMC Regulators Roundtable) was successfully held on 24 – 25 August 2015 in Kuala Lumpur, Malaysia. The Roundtable was co-organized by the International Telecommunication Union (ITU) and the Malaysian Communications and Multimedia Commission (MCMC) with support from the Ministry of Communications and Multimedia, Malaysia and the Department of Communications, Government of Australia. **53** representatives from Regulators of more than **19** countries of the Asia-Pacific region participated in the discussions.

Dr. Halim Shafie, Chairman, Malaysia Communication and Multimedia Commission (MCMC), delivered the welcome remarks followed by the opening remarks from Mr. Brahima Sanou, Director Development Bureau of ITU. The high level participants held dynamic and strategic discussions to seek possible solutions and explore opportunities of potential collaboration to address at emerging regulatory issues and challenges. (The Remarks and details of the event are available http://www.itu.int/en/ITU-D/Regional-Presence/AsiaPacific/Pages/Events/2015/Aug-RR_ASP/home.aspx).

The highlights and outcomes of each session are provided below.

SESSION 1: The Regulatory Challenge of Getting the Balance Right

Session Chair: Datuk Seri Dr. Halim Shafie, Chairman, MCMC

Brief objectives of the Session:

The Session aimed to cover the key trends and developments in technology, service offerings and markets, consumer ever-changing demands, business models, traditional vs. new- converged-era regulatory and policy practices, while focusing on four major scenarios:

- a) Evolving roles and competencies of telcos
- b) Cross-sector, multiple-jurisdiction services, markets and regulation in a borderless digital economy
- c) Consumer protection and education
- d) Striking a regulatory balance between rules and flexibility and between economic productivity and social and cultural imperatives .

Session interventions:

Indonesia, Singapore, Maldives, Australia, Korea, Pakistan

Session Highlights:

- *Key issues influencing the sector are: new players, new business models and a displacement of revenues – this has an impact on regulation.*

- *Current regulatory challenges coming from fast paced technological developments include amongst others, “free” service offerings by OTT; changing demand of consumers; changing business models. Against the background of those trends, there are a number of issues, namely: the evolving role and competition between telcos where there is cross-sectoral convergence and a need for multiple regulation in a borderless digital society; regulation that needs to be balanced between rules and responsibility and between economic recovery and opportunity; and the need to position the country in the international ICT industry.*
- *Regulators agreed to consider collaborative regulation which is seen as a new trend as ICT has crossed into other sectors.,e .g. banking, education, health, agriculture, etc.*
- *There may be need for regulators and policy makers to undertake review of their respective national telecommunication laws/policies/regulations to clarify/allow collaborative regulation.*
- *A number of Regulators have expanded their mandates to cover development aspects.*
- *Often the challenge in regulating is the underlying policy and regulation which is not always up to date*
- *Regulators need to put in place the right balance between:*
 - *Economic productivity and social/cultural imperatives*
 - *Affordability and sustainability*
 - *Accessibility and quality of service*
 - *Price, innovation and investment*
- *Regulators should look forward towards having resilience of networks against untoward incidences like fire etc. Some countries like Australia see this as out of scope of ICT regulators.*
- *Regulators should aim to foster innovation – no need to overregulate but rather to focus on creating an ecosystem for innovation and investment while promoting security and privacy.*

Session 2: Maximizing Opportunities, Addressing Fears on Big Data

Session Chair: Mr. Leong Keng Thai, Director General (Telecoms), InfoComm Development Authority of Singapore (IDA)

Brief objectives of the Session:

This session involved exchange of views and experiences on the benefits as well as risks of big data and the role of regulators in promoting big data and other new innovative services while ensuring safety, privacy and protection of consumers.

Session interventions:

Samoa, Bhutan, Malaysia, Indonesia, Pakistan, Australia, Korea,

Session Highlights:

- *40% data traffic growth year on year and even more as we move to IoT and smart cities require regulators to adapt to new market scenarios.*

- *Crowd sourcing for improving BB experience has been successfully implemented by Singapore*
- *Big data protection is a challenge growing with the exponential increase of data traffic.*
- *User centric approach would help in a new approach to tackle issues related to user privacy. A comprehensive national data governance framework may be needed and adopted in the future by national ICT regulators.*
- *Developing countries having limited financial and human capacity and relatively small market need to work together on regional/sub-regional basis to address the challenges that come with Big Data. The issues however remain the same whether the market is small or big.*
- *On usage of Big-data for national planning, an emerging trend is that the Governments/regulators are now considering data from Government sources as well as from non-governmental sources e.g. network operators to make management and future planning issues. For example the data coming from telcos can help in city planning, traffic management, analyzing the community needs (e.g. where the new shopping mall should be set up).*
- *Regulators should also be careful while planning/introducing future digital services in the market as relying on unstandardized technology platforms may result in small islands of digitally advanced communities rather than fully connected sustainable smart cities.*

SESSION 3: Managing the Exploding Demand for and Economic Value of Spectrum

Session Chair: Mr. Richard Bean, Deputy Chairman, Australian Communications & Media Authority (ACMA)

Brief objectives of the Session:

This session discussed the issues related to spectrum management on which the spectrum managers need to formulate their stance on at some point. In particular, the session included discussions on issues related to spectrum planning, new approaches to spectrum licensing for future wireless services, spectrum economics and the new roles of spectrum management authorities in the digital economy.

Session interventions:

Iran, Myanmar, Malaysia, Cambodia, Bhutan, Pakistan, Lao P.D.R, Samoa

Session Highlights:

- *National Spectrum Regulators need to act in a transparent and internationally and regionally harmonized manner for medium to long term national spectrum planning approach.*
- *Refarming of existing bands (especially in Mobile BroadBand bands) should be given a similar footing to international activities of a national spectrum regulator related to new spectrum identification for same services.*
- *Making financial targets for granting market access on key Mobile Broadband (MBB) spectrum bands in particular may have short term economic benefits to country but for long term benefits the targets should be development of national ICT infrastructure in-line with latest trends and provision of latest technology for enabling applications and services to the general public. Public education, stakeholder engagements and working with different Governments agencies/ministries (especially*

the Finance and national tax collectors) is essential to make sure that decisions are taken in favour of long term benefits.

- *For efficient spectrum management and to counter spectrum hoarding, an approach of “use it or loose it” should be considered by spectrum regulators*
- *Considering a more appropriate approach for facilitating emerging technologies and services, regulators in the region are working towards unified national Spectrum Licensing framework.*
- *Cross-border interference issue is one of the key issues on which regional administrations should work on in future work at regional/sub-regional/bilateral level.*

SESSION 4: OTT in the Telecommunication/ICT Ecosystem

Session Chair: Dr. Syed Ismail Shah, Chairman, Pakistan Telecom Authority

Brief objectives of the Session:

This session discussed

- a) Different types of OTT services and providers, the differences between traditional telecom service providers and OTT players and related regulatory frameworks,
- b) Challenges and opportunities faced by ICT network operators and OTTs and how the opportunities can be maximized while addressing the challenges,
- c) How to engage OTTs and social media providers in more transparent procedures for data processing, in getting the customers’ consent through opt-in before sharing their data and providing users with the option to clearly choose the status of their communications, between private or public
- d) Possible regulatory solutions and strategies that will promote sustainability of the whole ICT ecosystem which calls for new innovative solutions.

Session interventions:

Korea, Iran, Cambodia, Lao P.D.R, Bangladesh, Sri-Lanka, Indonesia

Session Highlights:

- *Considering the challenges and the competition that OTT provide to licensed operators, there may be three approaches of managing/regulating OTT a) Ban OTT b) Awareness to manage OTTs c) CMOs (Cellular Mobile Operators)-OTT partnerships. The latter approach may be applicable especially for countries that have low ARPU (Average Revenue Per User).*
- *Some OTT challenges are international in nature with issues relating to jurisdiction, copyrights, unfair trade, censorship etc., and for such cases should also be international in nature as majority OTT providers of a country may be operating from outside the boundaries of the an Administrations.*
- *The CMOs also need to go up in the ladder of network architecture from the lower physical and/or service layer to application layer and use their infrastructure to maximize advantages in their favour.*
- *Another approach of looking at OTT is as a internet user, this becomes especially true in cases where the networks are based on data rather than voice. Consequently, if the buisness model of CMOs/telecomm infrastructure providers is data-oriented, the proliferation/usage of OTT may mean more revenues for CMOs.*

- *Lawful interception of the OTT services currently is a challenge faced by regulators across the region especially when global OTT platforms have seen usages that may go against the national legal frameworks.*
- *Competition amongst OTTs offering similar services may be used by regulators to localize the operations and/or manage the OTTs*

SESSION 5: Towards a Holistic Approach on Cybersecurity

Session Chair: Ms. Nur Sulyna Lim Abdullah, Chief Officer - Corporate Strategy

Brief objectives of the Session:

Discussions during the session involved following topics

1. Exchange information and views on
 - a. Country experiences and best practices on the roles of ICT regulators and policy makers in the arena of cybersecurity
 - b. Need for inter-agency, government-industry collaboration and cooperation
 - c. Dealing with cross border threats and foreign jurisdictions
2. Possible recommendations on a holistic approach to promote a national and regional culture of cybersecurity/cyberwellness.

Session interventions:

Indonesia, Lao P.D.R, Pakistan, Bangladesh, Singapore, Australia, Nepal

Session Highlights:

- *Based on recent experiences, speed and diversity of cyber attacks is increasing; however the reponse time by Governments and Administrations needs more working while recognizing the fact that cyber criminals are borderless but administrations have laws and limitations of national boundaries. Hence an international collaboration is needed to reduce this advantageous position of cyber criminals.*
- *As technologies are evolving fast, the regulators need to review national legal frameworks regularly to address issues related to cybersecurity. As connectivity increases the vulnerability also increases.*
- *Apart from the traditional approaches in countering effects of cyber attacks, positive/alternative content development is one strategy regulators may consider as a reponse strategy.*
- *As the network usage has seen a shift from fixed to mobile, there exists a high probability of cybersecurity attack originating from a mobile platform making reponse job even more difficult.*
- *Many developing countries do understand that they have relatively low risks from and instances of cybersecurity attacks affecting national services and networks but on the other hand, they raise concerns that their national infrastructure may and has been used to host/launch the cyber attacks.*
- *Security awareness amongst general public is more difficult than technically countering cyber-attacks. To address this, a holistic approach to ICT proliferation should be adopted including amongst others a consideration that all national ICT projects adress the challenges of cyber awareness.*

- *Role of regulators on cybersecurity is a grey area. In some countries this role of national regulators may only go upto cybersafety (including child online protection, cyber bullying etc.).*
- *Out of the box thinking, technological innovativeness, safety before remedy etc. may provide a way forward in address challenges related to cyber security*

SESSION 6: Way Forward and Closing

Session Chair: Ms. Nur Sulyna Lim Abdullah, Chief Officer - Corporate Strategy

Session Objective:

Summarizing the outcomes of all the sessions of the Roundtable

Panelists:

- Dr. Syed Ismail Shah, Chairman, Pakistan Telecom Authority (PTA)
- Mr. Richard Bean, Deputy Chairman, Australian Communications and Media Authority (ACMA)
- Dr. Sadegh Abbasi Shahkooh, Deputy President Technical and Licensing affairs, Communications Regulatory Authority (CRA), Iran
- Dr. Rony Mamur Bishry, Commissioner, Indonesia Telecommunication Regulation Body (BRTI)

Session Highlights:

Technology and innovations have always moved faster than regulations. The exponential pace of change transforming the industry now threatens to overwhelm current regulatory policies, either stifling innovation and growth in a tangle of outdated regulations, or exposing consumers and operators alike to an uncontrolled gold rush beyond any ethical, competitive, quality, security or privacy controls. It is crucial for regulators to stay closer to the curve of technology and industry development, if not ahead of it, addressing changes and potential impact in a much timelier, more forward-thinking manner.

Perhaps no other industry calls upon its regulators to balance economic productivity against social and cultural imperatives as much as the ICT sector. Effective and relevant regulations in ICT sector which has cross sectorial impact is central to ensuring the unprecedented growth of economies, industries, societies and human development in the digital economy.

It is important that international organizations such as ITU support countries that need support in building institutional capacity and carry out the necessary advocacy and support. Regulators in the Roundtable thanked MCMC and ITU for organizing this year's Roundtable and highlighted the need for ITU to continue providing a similar platform for regulators to hold strategic discussions, sharing of information, real experiences and practices debate on possible solutions and opportunities for potential collaboration to address emerging regulatory issues and challenges. Responding to this, Chairman of Pakistan Telecom Authority (PTA) offered to host the Regulators' Roundtable in 2016.

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