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Policies for the development of an Inclusive Information Society

APRITEL, Telecommunication Operators Association

President of the Board: António Coimbra

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APRITEL
Associação dos Operadores de Telecomunicações

Current situation presents complex challenges in the trail towards an Inclusive Information Society

Path to an inclusive Information Society: diagnostic

High level of IT illiteracy

- First cause for "digital divide" in some regions
- E.g..: more than 60% of Portuguese adult population has only primary or pre-primary education[1]

Few households with access to PC

- Above 50% in EU15 [2]
- 62% in the US and 78% in Japan[2]
- 41% in Portugal[2]

Low internet penetration rate

- Around 53% in EU15 households[3]
- More than 55% and 56% in the US and in Japan[4]
- 31% in Portugal[3]

Low Broadband take-up

- 12% penetration in EU15 population[5]
- 17% in the US and 18% in Japan[5]
- 12% in Portugal[5]

Lack of quality contents

- Focus on basic services (eg: email)
- Few and poor interactive features
- While 64% of EU15 companies have their own website e-commerce stands for only 2,7% of total turnover[3]

The telecommunication industry is key to overcome some of these challenges

Sources: [1] OECD "Education at a glance 2005"; [2] ITU "Key ICT indicators 2004";
[3] Eurostat "Use of internet 2006"; [4] OECD "Key ICT indicators 2004";
[5] OECD "Broadband statistics" – 2005

Healthy competition in telecommunications requires alternative options in complementary areas

IV Fórum Ministerial
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Conditions to enable competition in telecommunications

Alternative Access	Alternative Services	Alternative Contents
• Rights of way, spectrum, • Ducts, residential and business parks, buildings, ... • Copper, cable, wireless, fiber optics, ...	• Fixed, mobile, nomadic • Voice, data, video,... • Signal quality/band width • Pricing	• Cultural diversity • Different format options • Different media and supports

Alternative providers

Policy makers should encourage diversity of access, services and contents

Policies for the development of an Inclusive Information Society

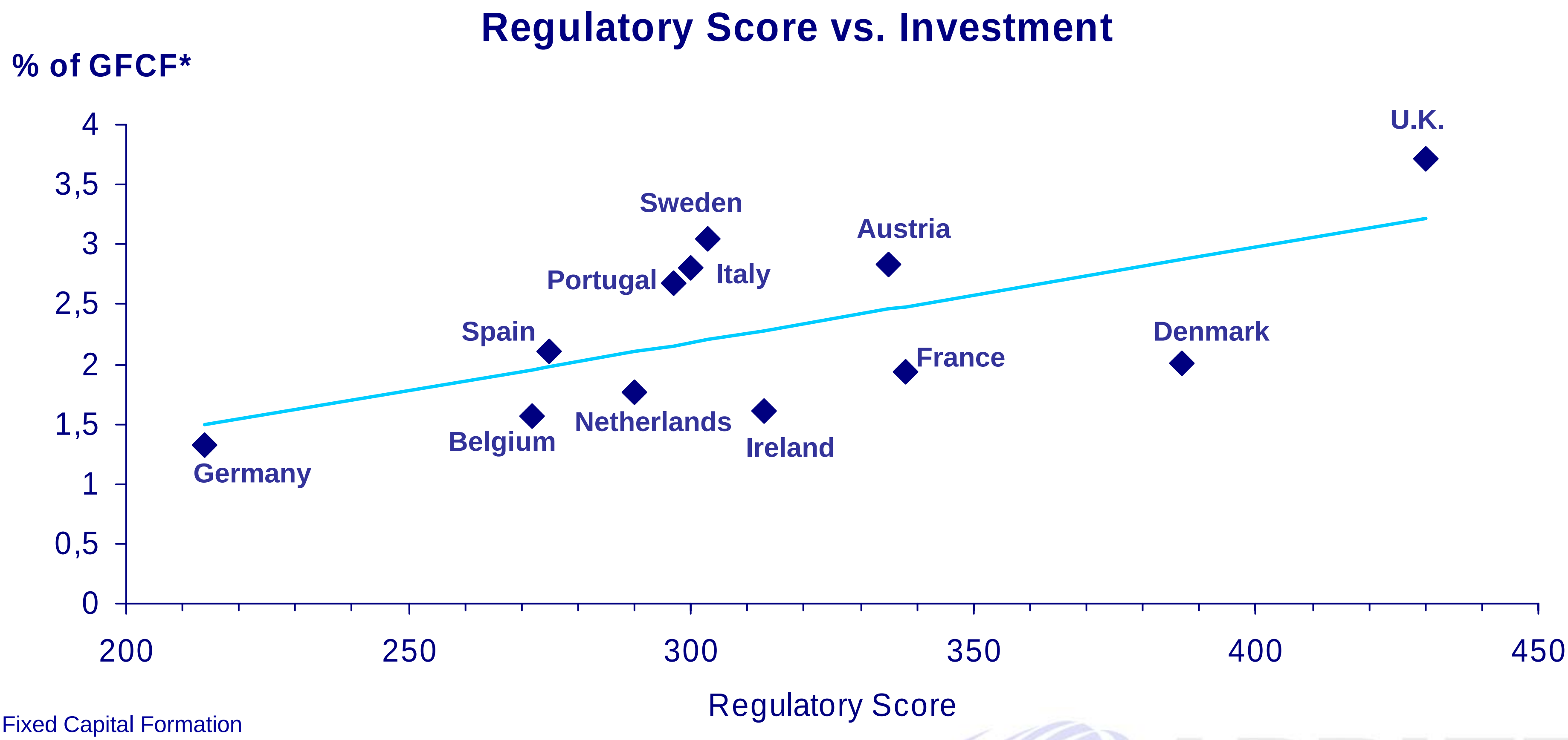
Shared access to infrastructure (where alternatives are neither possible nor economically viable)	Build-up alternative infrastructures	No constrains on access to services and content
• Non discriminatory conditions to access ducts and to share them between several operators • Wholesale offers from incumbent operators that are non discriminatory and competitive in relation to the corresponding retail offers	• New technologies are providing competing services in areas where traditional wired telecommunications are not viable • Make sure that Regulation is not biased towards any one solution (technology neutrality)	• Access to content is key to the development of new services • Make sure that vertically integrated operators to not lock-up access to content • Transparent interconnection and interoperability rules

Requires Regulator Authorities to be independent, quick and effective in their interventions, without imposing an "economic burden" to the market

Source: APRITEL, Telecommunication Operators Association

Countries with "good regulation" are experiencing higher investment levels

Strong correlation between Regulatory environment and investment in telecom sector



* Gross Fixed Capital Formation

Note: The results of the scorecard to measure the relationship between the effectiveness of the regulatory environment in each of the Member States surveyed and the level of investment in telecommunications in that country, using data provided by the OECD

Source: ECTA–Jones Day "Regulatory Scorecard" – December 2005

Information Society calls policy makers to encourage competition in key telecommunication markets

Summary: Policies for the development of an Inclusive Information Society

- **Current situation presents complex challenges in the trail towards an Inclusive Information Society (IIS)**
- **ISS depends on effective competition in key telecommunication markets**
- **Competition in telecommunication markets comes from being able to choose infrastructures, services and contents**

Policy makers should encourage:

- **Build-up of alternative infra-structures based on new technologies**
- **Shared access to infrastructures where alternatives are neither possible nor economically viable**
  - Access to ducts
  - Access to base telecom network
- **No constrains on access to services and content**
- **Efficient and effective Regulator Authorities working within a proven framework**

Source: APRITEL, Telecommunication Operators Association

Thank you!

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Note: APRITEL is a member of ECTA (European Competitive Telecoms Association)

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