

Session Report:

Access concerns: Beyond connectivity, what we need to connect more users - Challenges to promote Competition in the Digital Environment

Participants:

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Representatives from AIG Panama and the Chilean Undersecretariat of Telecommunications (Government), Observacom (Civil Society), LACNIC (Technical Community) ASIET (Private Sector) and Academia shared their views —as representatives of each sector— on the public policies which should guide the resolution of emerging and persistent access challenges, the role of new internet stakeholders in closing the digital divide, regulatory measures for promoting competition in the digital ecosystem, current regulations and the role of governments and regulators.

It was highlighted that the OECD report shows various trends in the digital economy (e.g., industrial consolidation in the telecommunications sector; convergence of fixed, mobile and broadcasting networks; and the emergence of zero-rating) and how these affect the potential for competition. According to the study *OECD Digital Economy Outlook*, policy makers have addressed these challenges to economic competition through regulatory tools such as the disaggregation of local facilities or measures such as structural or functional separation of operators. In other cases, governments have opted for public investment in networks, usually related to access requirements. According to the OECD report, Brazil —represented by Observacom— shared charts showing national connectivity, fixed and mobile broadband connections, neutral treatment of packets, and Internet fragmentation.

The panel focused on increasing digital connectivity, closing the digital divide, regulatory measures needed to foster innovation and competition in the digital environment, as well as on obstacles hindering effective competition in the digital ecosystem. The advantages that a competition policy

offers final consumers, the role of regulation in guaranteeing effective competition with quality of service for consumers, and the principle of net neutrality were mentioned as part of the conditions for ensuring such competition.

Panelists agreed that the quality of connectivity and service are key elements for an active digital economy in the region, beyond the mere consumption of services. Moreover, during this session the private sector shared their outlook on how the region can close the digital, including aspects such as connecting more users, and added that in order to do so, and in case of achieving progress on this issue, investment is needed, infrastructure needs to be improved, et cetera. This means it is necessary to digitize the economy. The importance of innovation in conjunction with regulation as a facilitator was highlighted.

The importance of governments as catalysts for the education of citizens was discussed. Training needs to be digitally inclusive to help communities develop their digital skills. When markets become productive it becomes a profitable business, and that may serve as incentive for operators to deploy infrastructure.

From civil society, reference was made to ITU percentages regarding barriers to interconnectivity, broadband, affordability, lack of devices, culture and access rules, inclusion of more vulnerable people and regions, as well as to the report on gender and access.

The technical sector talked about the unconnected, and it was mentioned that this does not always have to do with the economy but rather with simple geography, as is the case of islands or vulnerable societies located far from urban areas, isolation due to the economic level of people who cannot afford services, and isolation due to gender. This gap may be tackled through competition, for which cooperation strategies among all sectors shall prove helpful.

The Chilean government representative discussed language barriers and encouraging the creation of regional content. A project is being carried out in Chile to lay an underwater cable to China in order to lower prices and have another connectivity line.

As for regulation, several ways to achieve effective regulatory measures for pending challenges were mentioned, with each sector offering their point of view, not only on connecting the unconnected, but also on maintaining those who are already connected. From the point of view of the private sector, the importance of creating quality content, complementary and non-substitution services was emphasized. The role of the regulator must be to facilitate cooperation.

Panama's government representative talked about the programs implemented with Internet providers (wholesale) and noted the need to revise the country's access points and thus solve the problem of

points with no connectivity. One of the benefits of this program is that operators have achieved synergies by sharing last mile links and thus helping networks grow.

As for civil society, Internet programs for indigenous populations were mentioned and the importance of broad and diverse dialogue to create digital competition and increase access and global conditions was discussed. Likewise, the technical sector highlighted social networks and how they have made communication more attractive; they also discussed the needs of people, which facilitated access, without of course implying that this is the only purpose of the Internet. Regulation needs to analyze the discussion models adopted in various forums which, while not binding, do generate ideas and innovative solutions.

Links of interest:

https://www.youtube.com/watch?v=qYAb_3OWevA

<http://bit.ly/lacigf10ppt>