INTUG

EuroIndia, Delhi 24-26 March 2004

www.INTUG.net

Indian telecommunications 1885 to 2005

Ewan Sutherland

Executive Director, INTUG

ewan@intug.net

INTUG **agenda**

- about INTUG
- recent successes
- issues and problems
- suggestions
- conclusions

what is INTUG?

- members
  - national associations
  - corporations
  - individuals
- activities
  - ITU and WTO
  - OECD
  - APEC TEL, CITEL and EU

INTUG our aims

- real and effective competition
- genuine choice for users
- lower prices
- higher quality
- more innovative services
- constructive co-operation with
  - international bodies
  - governments
  - regulators

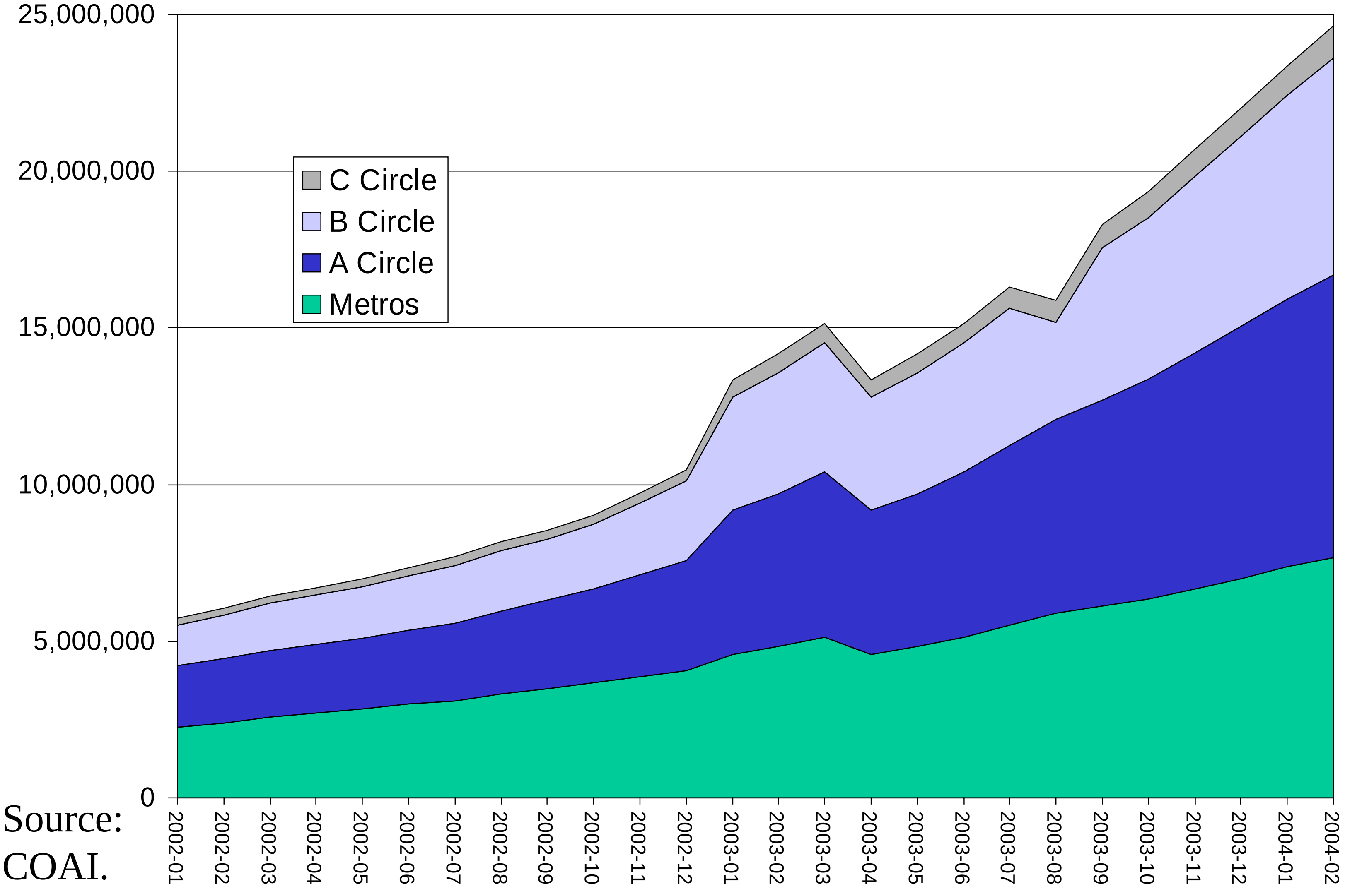
INTUG priorities

- open access to global mobile networks
- regulatory best practice
- liberalization
- universal access
- broadband
- leased lines
- IP telephony
- numbering

INTUG success stories in India

- competition now seen to work
- and can be extended
- mobile
  - full mobility
  - limited mobility
- international
  - outbound telephony
  - some new undersea cables
- outsourcing

INTUG GSM growth



Source: COAI.

broadband

- enormous potential
- needs all possible players
- electricity companies
- cable operators
  - could offer an amnesty to report all subscribers in exchange for investment
- triple play

INTUG outsourcing

- call centres
- back office processing
- some recent harsh criticism in developed countries:
  - newspapers and TV
  - politicians
- needs detailed economic analysis
- some real problems with the supporting telecommunications

INTUG some missing pieces

- regulation remains unclear
- market conditions are imbalanced
- very few foreign operators are investing in networks
- there are no Service Level Agreements (SLAs)
- there is no cost-oriented non-discriminatory provision of leased lines

INTUG regulation

- asbence of serious WTO commitments
- years of delay with new legislation:
  - General Competition Act
  - Convergence Act?
- slow and unpredictable decision making
- lack of basic controls over dominant market position(s)
- prohibitions on interconnection of:
  - leased lines to leased lines
  - leased lines to PSTN

INTUG market failings

- absence of binding Service Level Agreements (SLAs) with operators
- absence of full international circuits from global carriers with good SLAs
- only half circuit from a global carrier, the other half from an Indian carrier:
  - problems of reliability and delivery time
  - expensive and must be paid for a year in advance

INTUG recommendations

- sustain competition in telephony
  - fixed, limited and full mobility
- achieve competition in broadband
- release spectrum for rural services
- contain the ambitions of the incumbent
- force the incumbents to compete
- sort out leased lines

INTUG conclusions

- impressive progress in the last 2 years
- a potential rival for China
- massive economies of scale
- success in attracting call centres, etc
- but still:
  - unpredictable
  - slow and bureaucratic
  - markets dominated by domestic incumbents

INTUG thank you

Ewan Sutherland
International Telecommunications Users Group
Reyerslaan 80
B-1030 Brussels
Belgium

+32.2.706.8255

ewan@intug.net
http://www.intug.net/ewan.html