

LATIN LESSONS

The IIC's second TMF of the year took place as usual in Miami, focusing on Latin America. Connectivity and disaster recovery were themes. By **CRISTINA MURRONI**

The IIC's Miami Telecommunications and Media Forum (TMF) has a special focus on the Americas and Caribbean, and this year was no exception, with Nievia Ramsundar (Telecommunications Authority of Trinidad and Tobago) kicking off the first panel on competition and investment. He held that keeping consumers happy is the main goal of regulation, as consumer take up ultimately feeds all the layers of the market. Lindsey Fussell (Ofcom, UK) focused on cost containing measures to spur adoption of ultra-fast broadband, which in the UK is taken up by only 3% of households. Adolfo Cuevas Teja (commissioner at Mexico's regulator, IFT) highlighted the importance of creating a truly independent regulator, and setting realistic objectives based on data and observation to attract investment. Mexico has seen rewards for this strategy: 4G coverage has jumped from 25% to 80% in a few years, with better speeds than the US.

Ernesto Orozco (National Television Authority of Colombia, ANTV) echoed that view, reporting that despite industry disruption by over the top (OTT) players, the television sector has overall benefited from competition, growing by 40% with the new entrants. As competition brings prices down, regulation should provide incentives to investment, and adopt a lighter and simpler approach.

ROADMAP FOR THE DIGITAL ECONOMY

Colombia is one of the few countries equipped with a plan to take the country to its digital future, reported Juan Manuel Wilches (commissioner at regulator CRC). The roadmap identified eight main challenges, ranging from coordinating all agencies and government sectors involved, to promoting net neutrality and the adoption of state-of-the-art technology. Multisector committee meetings are held regularly and a first study into the impact of the digital economy on several industries has been launched. Giuseppina Curreli (AT&T), agreed that a vision is needed, but added that it should be supported by a regulatory framework that focuses on providing connectivity.

John Winter (Liberty Latin America), stressed how connectivity is paramount, but is not necessarily an operator's most expensive investment: content is even more costly, so it is essential to effectively address piracy.

David Geary (Digicel Group) presented the Caribbean Regional Communications Infrastructure Program (CARCIP), a public-private partnership co-financed with World Bank loans, as an example



Adolfo Cuevas Teja, IFT, speaks at the opening panel

of the transformational project that can also take place in small island states. He felt, however, that the project was a missed opportunity to design a futureproof regulatory structure for the islands involved. Caribbean Community (CARICOM) heads of government have approved a roadmap for a Caribbean "single ICT space", reported Bernadette Lewis (Caribbean Telecommunications Union), and Caribbean governments now need to develop a completely new approach. They need to lead by example, becoming adopters of the technology and delivering services to citizens efficiently.

INVESTING FOR THE FUTURE

Latin America needs to make better use of spectrum and needs infrastructure for data centres and international connectivity, observed Enrique Iglesias Rodríguez (Inter-American Development Bank, IDB), who recommended partnering with the private sector for any network building. Eduardo Guzmán (Squire Patton Boggs) addressed the huge political problems and time delays experienced when dealing with authorisations at the local level. Perhaps the regulator should have powers to override the local authority on these matters, and certainly these issues should be addressed when planning investments.

Looking at the Mexican experience, Andrés Acedo (Acedo Santamarina) reported on the two public networks expected to provide universal connectivity: the shared 700 MHz wholesale network and the trunk network that runs through the electricity lines of the Mexican Electricity Commission. Each stage of the process has gone to plan and the first milestones have been achieved. Robert Pepper (Facebook) used the inclusive internet indicators co-developed with the Economist Intelligence Unit to show that the gender gap in Latin America is much less than other regions with similar income levels. Privacy tops every other concern when it comes to using the internet, with 91% of Latin American users listing it as their main concern, compared to 80% globally.

Melesia Sutherland (CANTO) described the challenges facing companies investing in infrastructure in the Caribbean region and called for a solution to safeguard sustainable network investments in these island states. Most states are hurricane-prone islands with 100,000 inhabitants on average: risks are high, revenues are limited, and global internet players use up to a third of network capacity and provide

no investment. One proposal that emerged from the discussion was to give more flexibility to existing operators to make the shift towards new data-driven business models. This would enable them to reap the synergies with global platforms, benefiting from increased demand for data and often also greater economic activity.

WHAT ABOUT DATA CENTRES?

Andres Maz (Amazon Web Services) reported that the growth of cloud-based services, while fast, is undermined by the scarcity of talent (system engineers) to support it and by the lack of procurement vehicles for cloud. Bandwidth, energy, peering and quality of service are issues that need to be addressed if governments want to attract more infrastructure for the development of the cloud. Ana Carolina da Motta Kohlitz (Cullen International) looked at data localisation requirements in the region and concluded that there are no general data localisation requirements in data protection laws, but rather specific provisions in several sectors, like banking or the public sector, in several countries.

Joshua Forman (GlobeNet Telecom) focused on the CLOUD Act, which clarifies that US service providers are required to disclose all data in their possession, custody and control, regardless of the location of the data. The EU's GDPR applies to any company that is located in the EU, or collects information on EU citizens, or offers goods or services in the EU.

Robert Pepper reported on Facebook's investments to connect data centres, mostly in partnership with operators, with several submarine cables and in edge points of presence and other technology co-located with operators.

When discussing policy to attract investment in data centres, many felt that good intentions often clash with other government policies: for example, high taxes and duties on IT equipment, or specific requirements that raise the cost of building and operating large high-tech facilities.

USING SPECTRUM TO FUEL NEW INNOVATION OPPORTUNITIES

Spectrum discussions began with an overview of the EU's strategy for 5G by Marjolein Geus (Bird & Bird). Europe has allocated three bi-linear bands, and work is advancing on freeing up the frequencies and establishing the standards. The goal is to increase harmonisation and minimise uncertainties, but with many of the 28 national regulators resisting the European Commission's effort to harmonise, it is difficult to achieve. Thomas Sullivan (FCC) added the US perspective, where the FCC is favouring flexible use of frequencies, and supporting 5G development by freeing up as much spectrum as possible and developing secondary markets. Gabriel Solomon (Ericsson) reiterated the usefulness of a pro-innovation approach such as the FCC's. Considering that connectivity gaps still persist, and public funding is very limited, spectrum could be used to get operators to commit to filling those gaps, either by ringfencing auction proceeds or by offering



Questions from the floor

licence extensions in exchange for a commitment to invest in given areas, as pioneered by France.

The Q&A session looked at the policy of reserving spectrum in auctions to enable a new entrant: the general perception from experience is that this does not work well, especially when trying to make space for a fourth or fifth entrant, and that conditions placed on how spectrum is made available actually make efficient use of spectrum more unlikely.

PREPARING FOR THE HURRICANE SEASON

Nievia Ramsundar (Telecommunications Authority of Trinidad and Tobago, TATT), explained the rules and tools available in case of natural (or man-made) disaster. The most important stage is pre-disaster, when the task is to mitigate and prepare, and while laws do not require the networks to be resilient, the GSMA has identified this as a key consideration. Post-disaster, data sharing and cooperation are key: international cooperation helps response, while competing telecoms operators working together locally can minimise access issues and increase redundancy by using each other's networks.

Zenji Nakazawa (FCC) reported on how the FCC response was tested by the string of hurricanes in 2017, and added that the agency is looking at ways to improve the geolocation efficiency of emergency texts sent to mobiles.

Gonzalo de Dios (Intelsat) emphasised the role of satellite communication as a critical backbone for infrastructure in the event of natural disasters. Data shows that the impact of natural disasters is getting bigger, and in 2016 alone the damages had a cost of about \$154bn. This makes it all the more important to have a readiness plan, and especially to make sure these plans are implemented – which may require involving government agencies like customs, the military etc.

Melesia Sutherland (CANTO) reported on the preparedness of the Caribbean islands. Network resilience appears to be less of a problem – the equipment did not fail, but succumbed to other environmental issues, such as flooding. David Geary (Digicel) rounded off the discussion with experience from Dominica and underlined the urgent need to address which operators should contribute to the cost of restoring networks, and rebuilding them with greater resilience.

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