Cooperation between Government and the Sector for the development of network and mobile services
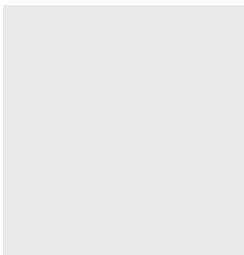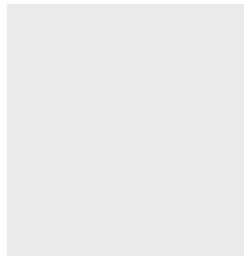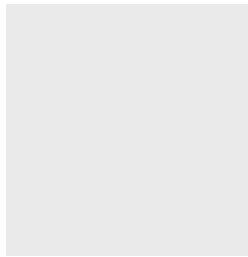
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CITEL, Lima, June 2006

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➢ **Description of the main issues**

➢ Towards dialogue and cooperation: best international practices
  ✓ deployment of network
  ✓ communication

➢ Integrated initiatives

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GOVERNMENT SUPPORT

1) SOCIAL ALARM: is the result of a sequence of events....

| Growth of the market | Increase in number of antennae | Visual impact | Lack of information provokes fear and social alarm |

COMMON UNDERSTANDING

2) CONFLICTS OVER DISPERSION OF COMPETENCIES, LACK OF UNIFORM AND FIXED REGULATIONS

- National Competencies vs. Territorial Autonomy (use of soils, urban development, historical sites, need for approval of neighbors, imposition of local rates …)
- Numerous regulations, constant changes /new regulations (procedures and requirements for granting of permits, restrictions on height, distances and emissions, supervision, control and monitoring mechanisms, new environmental impact studies …)
- Dispersion of competencies between authorities responsible for planning, health, environment, telecommunications, aeronautics, national security → legal and administrative bureaucracy

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The consequences are very negative for Latin Am. Society

- **Lack of information** among the population generates **mistrust**: political "heroes" and interest groups appear who supposedly "protect and defend" society from a non-existent risk.

- Social alarm is a major **obstacle to the installation of new sites** and sometimes causes **depreciation** in the value of buildings.

- **Increased costs for operators** (excessively long waiting periods to obtain licenses and permits, dismantlement, relocation …): VALUED AT US$2,5 bn ANNUALLY IN GERMANY *

- **Legal insecurity**, in the absence of a single competent body (interlocutor) on this subject that can be approached in case of conflict

- Possible decrease in the **quality of the service** (traffic saturation) and **non-compliance with the goals of Social Telephony** and the Information Society given the impossibility of increasing coverage (halts investment in infrastructure.)

TERRITORIAL IMBALANCES, REDUCED COMPETITIVENESS, TECHNOLOGICAL BACKWARDNESS, BARRIER TO UNIVERSALIZATION

(*) "Fear of Cell phone Radiation", Soreon Research, 2004 (http://www.soreon.de)
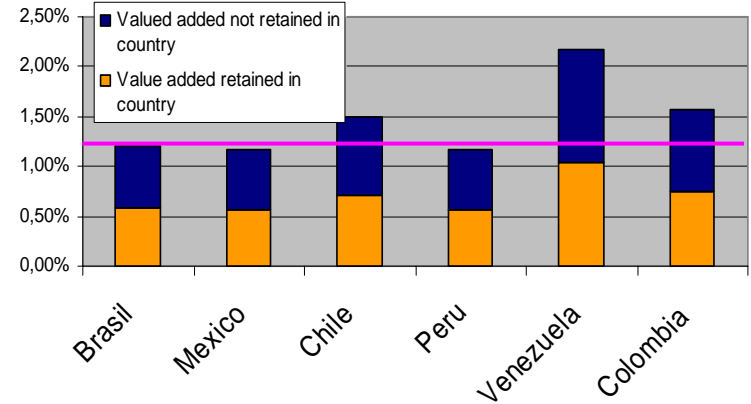
"THE ECONOMIC IMPACT OF MOBILE SERVICES IN LAT.AM, OVUM, 2005 *

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- Contributes to economic growth (through improved productivity): a **10% increase in mobile penetration** allows the **annual growth of GDP to be 0.3% higher**

- **Added value**: **US$25bn** in Lat. Am(2004): 1.3% of GDP

- Generates income **for Governments** (taxes): **>$11 bn.**

- Generates **2.3 million jobs**

- All this thanks to the **extremely large investments** by mobile operators :

  - In infrastructure: $16 bn. between 2002 and 2004

  - earnings from IED: $27 bn. Between 1999 and 2002

Lat.Am: Sector's contribution to GDP(%)

Legend: Valued added not retained in country / Value added retained in country

Countries: Brasil, Mexico, Chile, Peru, Venezuela, Colombia

Comparison with other regions

AÑO 2004	Contribución del sector móvil al PIB (%)	Generación de empleo (mn.)	Ingresos aportados al gobierno (impuestos) , €bn.
Latinoamérica (1)	**1,30%**	2,3	9,2
EU15	1,10%	2,8	84
EEUU	0,80%	3,6	50
India	1%	3,6	2,5

Total benefits Mobile Telephony = Economic bft (value added) + Social bft.= **$21,3bn + $37,5bn = $59bn** [1]

(1) In the countries analyzed in the study

(*) Study commissioned by GSMA, GSM Latam, AHCIET (www.gsmworld.com) and (www.achietmovil.com)

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SOCIAL IMPACT OF MOBILE T. IN LATAM, FROST &SULLIVAN, 2006

STUDY SAMPLE : USERS IN RURAL & SEMI-URBAN AREAS, MIDDLE-LOW SEGMENTS

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> "Personal" device: Immediacy, mobility and privacy

>> Main reason for purchasing cell phone (60% clients interviewed)

>> 70% of lower-income users are owners

>> Preference to other means of communication (fixed tel. & public tel.)

> Communication with relatives, friends, neighbors: generates SOCIAL NETWORKS

> Obtaining information: health, safety, education, jobs, migratory flows

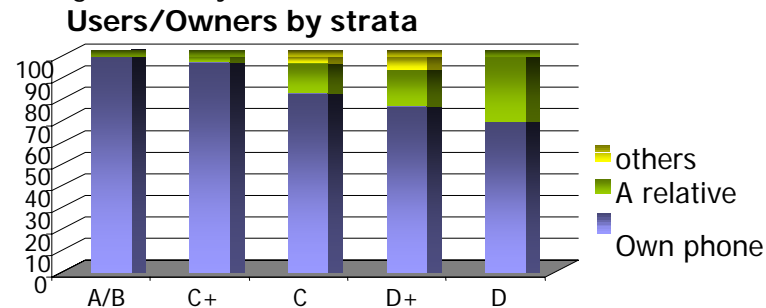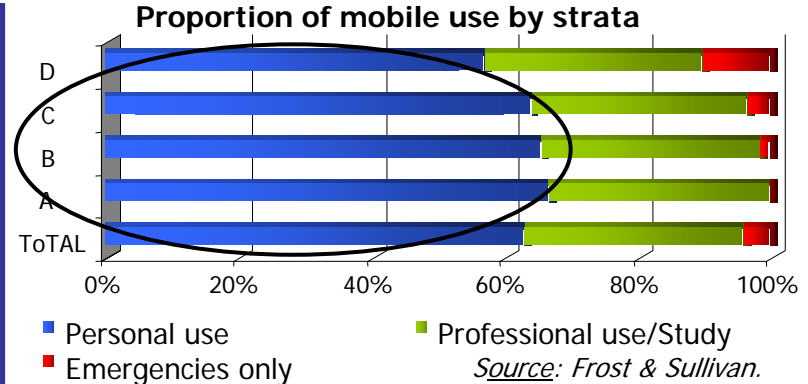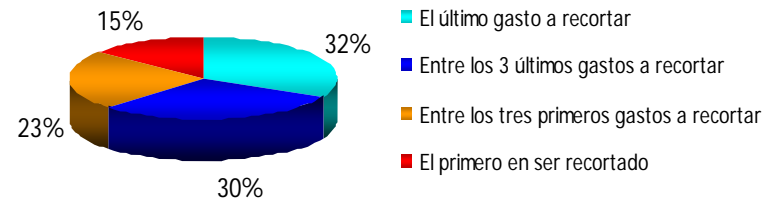> Creating small businesses: increase incomes, reduce costs

Proportion of mobile use by strata

- Personal use
- Professional use/Study
- Emergencies only

Source: Frost & Sullivan.

Users/Owners by strata

- others
- A relative
- Own phone

Gráfico 2.20 Elasticidad de los gastos en telefonía móvil, 2006 (Argentina, Brasil, Colombia, México)

- El último gasto a recortar
- Entre los 3 últimos gastos a recortar
- Entre los tres primeros gastos a recortar
- El primero en ser recortado

Fuente: Frost & Sullivan.

➢ Description of the main issues

➢ **Towards dialogue and cooperation: best international practices**
  ✓ **deployment of network**
  ✓ communications

➢ Integrated initiatives

European level initiatives : Cooperation agreements (I)

<u>EU RECOMMENDATION ON DISSEMINATION OF BEST PRACTICES</u>

<u>GSM Europe</u>, 2001: "Implementation report on network rollout good practice"

- Improving the dialogue with local authorities and other key stakeholders
- Sensitive siting and design
- Ensuring all existing and new radio base stations comply with international exposure guidelines (ICNIRP)
- Implementing a clear process to respond to complaints and enquiries
- Supporting quality research programs at the EU and Member State level, based on the WHO research agenda
- http://www.gsmworld.com/gsmeurope/work_groups/health.shtml

<u>GERMANY</u>, 2001 : "Verbändevereinbarung". Partnership agreement between Federal Government and operators

- municipalities: exchange of information on deployment plans (selection of localizations in tune with urban development plans with the approval of residents)
- citizens : information on health and environment at operators' sale points. Distribution of brochures
- more information at: http://www.izmf.it/

European Initiatives : Cooperation Agreements (II)

UK, 2002: Adhesion and commitment of mobile operators
    • Mobile Operators Association: UK industry's Ten Commitments to best siting practice
    • UK code of best practice on mobile network (http://www.communities.gov.uk/)

ITALY, December 2003: "PROTOCOLLO D'INTESA TRA ANCI E MINISTERO DELLE COMUNICAZIONI". Adhesion of mobile operators.
    • refrain from applying emission limits different to those established by ICNIRP: ALATA/ALARA principle
    • localization alternatives possibilities of co-siting (operators)
    • availability of public land for sites
    • Roma, Venice, Genoa, Catania, Verona, Padua, Bari etc.
    • more information at : http://www.anci.it/
    • other measures: 90-day period for local governments to respond to applications to install a site. Positive silence.

➢ Description of the main issues

➢ **Towards dialogue and cooperation:
Best international practices**
  ✓ deployment of network
  ✓ **communications**

➢ Integrated initiatives

Sector has made enormous efforts: courses, leaflets, training etc.

• Publication of information leaflets directed at the population
  ✓ by the Associations of the Sector: Brazil (ACEL) and Argentina (CICOMRA)
  ✓ by initiative of each operator : Ecuador, Spain …
  ✓ through other organizations: MMF

• continuous organization of Courses and Seminars
  ✓ personal attendance
  ✓ "Mobile Telephony and Society": interactive tutorial via internet, among the top 10 award winners on World Information Society Day, organized by the Ibero-American Community of Nations
  http://www.diadeinternet.es/2006/

• Sector has made numerous efforts to train staff to resolve conflicts
  ✓ Agreements with specialized firms: Mexico

However, the sector needs direct Government involvement …

• Social Alarm: Authorities confer impartiality and credibility

• The current problem is the "perception of risk" among citizens, not the risk itself

• "Unless an effective and coordinated public information and communication system is established between scientists, Government, the industry and the public, the new CEM technologies will be a source of mistrust"

Establishing a dialogue on the risks of CEM, WHO, 2005

… as in the case of Italy

Ministerio de las Comunicaciones

Fondazione Bordoni **http://www.fub.it/**

Internet
www.monitoraggio.fub.it

Oficina de Prensa
pressoffice@fub.it

Comunicación de los datos a los ciudadanos

BLUBUS Reunión sobre territorio

Elettra2000

Divulgación científica y formación des especialistas **http://www.elettra2000.it/**

•Dissemination of information
• Government involvement
• Scientific base
• 2004: 25.000 km run, 80 localities
• positive impact in local press

Il Blubus svela i misteri dei campi elettromagnetici

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➢ Description of the main issues

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➢ **Integrated initiatives**

The case of Spain

CODE OF GOOD PRACTICE

(CGP)

• 2001: Decree 1066, Regulations on radioelectric emissions
• 2004: constitution of CSDIR (Follow-up Committee Development of Radiocom. infrastructure):
   ✓ Led by MITyC (Ministry of Industry, Tourism & Trade)
   ✓ Participants: FEMP (Federation of Municipalities), AETIC (Chamber of Sector Firms) and COIT (Official College of Telecom. Engineers)
   ✓ direct involvement of Ministry of Communications
• 2005: CSDIR recommendations approved:
   ✓ CBP signed between FEMP & AETIC, endorsed by Min. of Industry (based on documents drafted in other countries)
• **JUNE 2006: MORE THAN 800 MUNICIPALITIES ADHERE TO CGP**

COOPERATION & FOLLOW-UP COMMITTEE
• Government (Ministries)
• Local/Provincial Govt.
• Business Assoc. (Sector)

TECHNICAL EXECUTIVE COMMITTEE
• Government (Min. of Industry)
• Municipalities (Federation)

SCIENTIFIC ADVISORY COMMITTEE
• Universities
• Scientific institutions

More info. at:
www.femp.es
www.aetic.es

Similar initiatives in Argentina …

- Adaptation of Code to the situation in Argentina

- CICOMRA: Culmination of agreed-upon code (end of June): CTI (América Movil)+ Nextel+ Movistar

- Consultation with National Authorities (CNC, Min. of Communications, legislators)+ Provincial Authorities: Willingness to cooperate

- Municipalities: Interest in understanding deployment plans

- Next steps : Instrumentation and agreement with FAM (Argentinean Federation of Municipalities)

- Commitment of support by the Minister of Communications

and also in Brazil …

• Associação Nacional dos Prestadores de Serviço Móvel (ACEL)
- • Proposal for development of the Code
- • Initial objective: 30 Municipalities are especially conflictive
- • Negotiations underway in São Luis, Rio Grande do Sul
- • Difficulties
  - • no federation exists
  - • numerous local operators

• Constitution of a cooperation body (Follow-up Committee)
- • By recommendation of the Ministry of Health
- • Possible inclusion into the Draft Bill of Federal Law
- • Participants would be the Min. of Communications, Min. of Environment, Min. of Health and States/Municipalities

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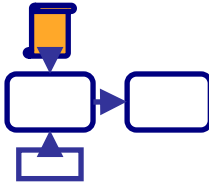
The Good Practice Guide

NEEDS

➤ **To reach agreements** between the Government (state/local) and the sector that would make it possible to establish agreed-upon technical environmental, urban and regulatory criteria in order to foster a harmonious, well-ordered development of mobile telephone network infrastructures

PROPOSED CODE

➤ **Create a Code of Good Practice**: basic patterns and principles, framework for cooperation and agreement based on dialogue and consensus among the involved actors in order to mitigate the existing problems

➤ **Establish a common frame of reference and define a swift procedure** that takes into account the requirements and concerns of the various parties

PHASES

➤ **Development of the consensus document** in the context of the business association representing the operators (TEM volunteers to discuss a preliminary document to facilitate/speed up the work)

➤ **Negotiation and agreement with central Government** and municipalities (if possible, with the federations representing them), approved by the regulator – promotion of the initiative

➤ **Implementation** (as scheduled), **ongoing follow-up and sustained support** by the Government: creation of a committee for that purpose

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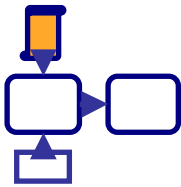
Contents of the Code

- Background and current situation
- Mobile telephony technology and services
- **Local and international** regulations
  - ➢ territorial organization and description of competencies
  - ➢ Regulatory context in force
  - ➢ **A single reference procedure to obtain permits**
- **Deployment Plan**
  - ➢ Required description and information
  - ➢ Site location and installation: cooperation models
- **Integration into the context**: proposal for agreements
  - ➢ Classification of zones
  - ➢ Adjustment of infrastructures in terms of soil typology
  - ➢ Carrying out prior landscape surveys (photomontage)
- **Sharing infrastructure:** proposal for agreements
  - ➢ Classification of shared infrastructure
  - ➢ Sharing issues
- **Emissions control: International regulations**
- **Communication: Information to citizens**
  - ➢ Interactive webpage
  - ➢ Information pamphlets
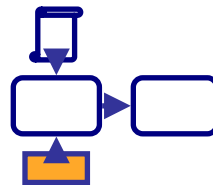 - ➢ Seminars, courses, conferences, forums

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Signing the code is not enough: need to create follow-up committee and advisory bodies with government support
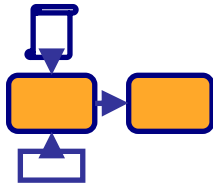
FOLLOW-UP COMMITTEE

- <u>Objective</u>: To ensure and pursue the harmonious, well-ordered deployment of the mobile network infrastructure
- <u>Composition</u>: Created and led by the Government. Made up of representatives of state, provincial and local governments, and of business associations (the sector)
- <u>Functions:</u> Ongoing, permanent follow-up, resolution of specific conflicts (taking the Code as the guide for action):
  - **Delimitation of competencies**
  - **Harmonization of regulations at the national level (basic model)**
  - **Institutional communication by the Authorities: risk management in situations of social alarm** (WHO)
- With executive powers if an Executive Technical Committee has not been created

SCIENTIFIC ADVISORY COMMITTEE

- Advises the Technical Committee on health matters
- Made up of representatives of scientific institutions and distinguished independent experts in the field
- Technical support for all competent Administrations (including municipalities), guarantee of use of scientific evidence (international coordination)

SECTOR´S TOTAL COMMITMENT TO COOPERATION

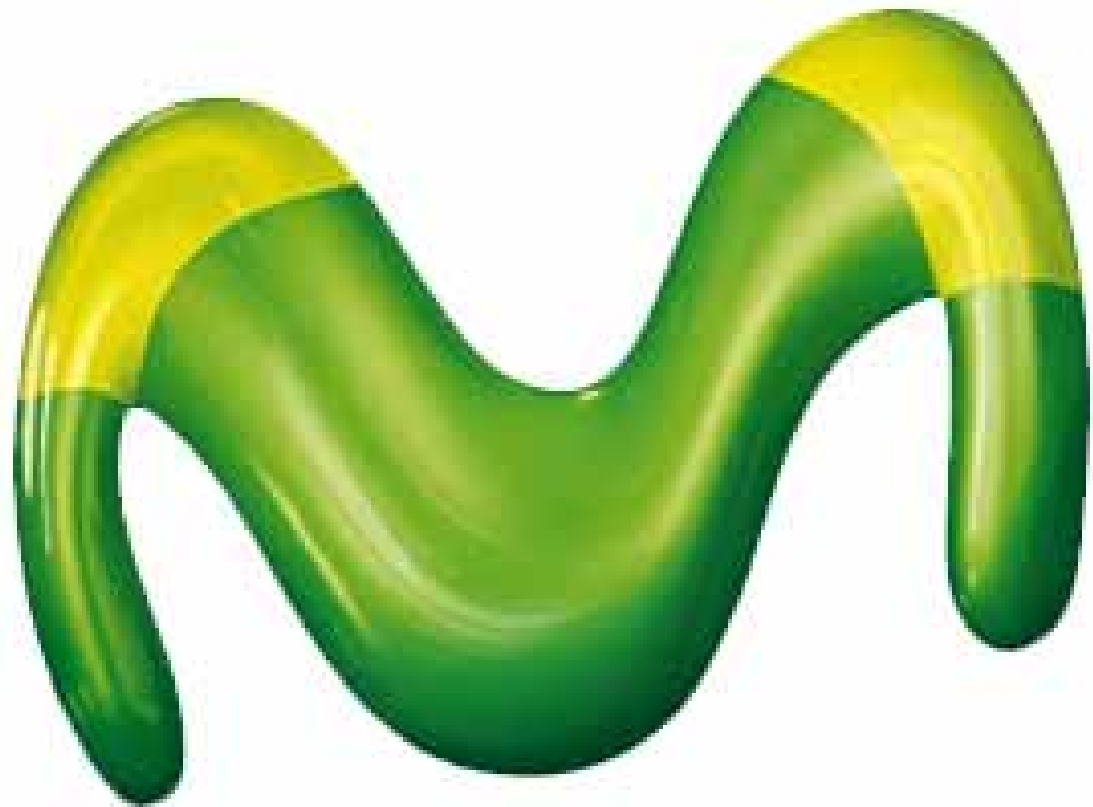# Is the Development of Society possible <u>WITHOUT infrastructure</u>?

THANK YOU!

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