



**11th CEPT CONFERENCE
Nice, 22 – 24 October 2003**

LOOKING FOR DIRECTIONS?

« HOT TOPIC: INDUSTRY IN CRISIS! »

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Q1a: HOW REAL IS THE CRISIS?

- **WHAT CRISIS?**
- **COMMUNICATIONS UP 50% SINCE 1990!**
- **Health: 34%, Education: 32%,
Utilities: 20%, Recreation: 18%
Transport: 12%, Restaurants: 10%
Alc.tobac.: 7%, Household: 4%
Clothing: -7%, Food: -9%**
- **INDUSTRY REVENUE UP AT 1,37.10¹² US \$ (91:<0.6)**
- **FIXED TEL. LINES UP AT 1.2 BN (91:<0.6 BN)**
- **MOBILE TEL. LINES UP AT 1.3 BN (91: 0)**
- **INTERNET UP AT 0.67 BN (91: 0)**

ANY REASON TO COMPLAIN?

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THE PARADOX OF TELECOMS

- TRANSMISSION CAPACITY INCREASED 500 FOLD!
- DEMAND ONLY QUADRUPLED
- OVER CAPACITY
- FRANTICAL PRICE CUTS
- > 100 BN € PAID FOR 3G LICENCES!
- FRAUD, BANKRUPTCY, DEPT & DESTRUCTION OF SHAREH. OLDER VALUE: \approx 1.000 BN US \$!
- N X 100.000 WORKERS LOST THEIR JOB!
- THE ICT INDUSTRY IS SUFFERING DREADFULLY!
- THE CRISIS IS VERY REAL, INDEED!

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Q1b: IS THE INDUSTRY ON THE ROAD TO RECOVERY?

- SINCE SPRING THIS YEAR THERE ARE SIGNS OF A TURN:
- ICT IS A KEY TO PRODUCTIVITY GROWTH
 - FOSTER A STRONG & INNOVATIVE ICT-PROD. SECTOR
 - HARNESS BENEFITS OF ICT IN OTHER SECTORS
- ICT ALONE WON'T MAKE IT, WE NEED TO:
 - REORGANISE PRACTICES & PROCESSES
 - UPGRADE OUR SKILLS

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WHAT NEEDS TO BE DONE IN ORDER TO RECOVER?

- **WE NEED A PREDICTABLE LEGAL ENVIRONMENT**
- **WE NEED TO INVEST IN R&D**
- **WE NEED TO INVEST IN STANDARDIZATION
IN ORDER TO CREATE NEW MARKET OPPORTUNITIES**
- **WE NEED TO PROMOTE & PUSH FOR
THE EXPLOITATION OF ICT, E.G.
- eEUROPE: eGOVERNMENT, eHEALTH, eLEARNING**
- **BROADBAND – THE BASIC INFRASTRUCTURE**

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THERE SEEMS TO BE SOME LIGHT

AT THE END OF THE TUNNEL!

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Q2a: ARE DIFFERENT REGULATORY STRATEGIES NEEDED?

- I REALLY DON'T KNOW ...
- REGULATORS ARE DOING QUITE WELL ...

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Q2b: ARE REGULATORS DOING ENOUGH?

- I REALLY DON'T KNOW ...
- REGULATORS ARE DOING QUITE WELL ...
- EUROPEAN & NATIONAL REGULATION:
MORE SYNERGY DESIRABLE
- REGULATORS SHOULD ENCOURAGE
& STIMULATE MORE INVESTMENT!

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Q3a: ARE NATIONAL GOVERNMENTAL AND REGULATORY FRAMEWORKS ADEQUATE?

I DON'T KNOW ENOUGH, HERE ...

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Q3b: IS FINANCIAL ASSISTANCE APPROPRIATE?

- **I DON'T BELIEVE IN SUBVENTIONS,
I.E. FINANCIAL ASSISTANCE TO INDUSTRY,
I.E. TO MANUFACTURERS &
NETWORK OPERATORS**
- **OF COURSE, IT WOULD BE NICE
IF A BIG PART OF THE 3G LICENCES
COULD BE GIVEN BACK ...**

BUT, ...

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**Q4: ARE THE INTERNATIONAL FRAMEWORKS
IN A GOOD POSITION TO ADDRESS THE CRISIS,
AND CAPABLE OF RESPONDING?**

WHAT ARE THE INTERNATIONAL FRAMEWORKS?

- **MANUF. & NOs OPERATING GLOBALLY?**
- **ASSOCIATIONS OF DIFFERENT INDUSTRIES?**
- **REGIONAL AND GLOBAL SDOs?**
- **FORA & CONSORTIA?**

WHAT MEANS TO ADDRESS?

...

TO SOME EXTENT: YES!

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**Q5: WILL NEW SERVICES AND TECHNOLOGY
PROVIDE AN ANSWER?**

- **END USERES ARE NOT INTERESTED IN TECHNOLOGY,
BUT IN SERVICES & APPLICATIONS**
- **YES, NEW SERVICES & APPLICATIONS WILL!**
- **STANDARDIZATION IS INNOVATION!**
- **WE HAVE TO CREATE
NEW MARKET OPPORTUNITIES!**

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