

**INTERCAI MONDIALE IN PUBLIC POLICY AND STRATEGY FOR  
TELECOMMUNICATIONS AND RELATED SECTORS**

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Registered in England, No: 3271854  
Assessed and registered to ISO9001  
Regatta House, High Street, Marlow, Bucks, UK SL7 1AB  
Tel: +44 (0) 1628-478470 Fax: +44 (0) 1628-478472  
<http://www.intercai.co.uk>

## **OVERVIEW OF INTERCAI MONDIALE AND ITS CREDENTIALS**

### **Overview**

Intercai Mondiale Ltd is an internationally regarded specialist consultancy focusing on telecommunications and related industry sectors. The breadth and depth of knowledge within its members and associates provides a strong combination of business, economic and technical skills to fulfil public policy and strategy projects in ICT and Posts.

Intercai Mondiale Ltd specialises in consulting services to the telecommunications, media and technology sectors with a client base that includes regulators, international bodies and public and private operating companies. Our consultants have strong industry experience that forms a powerful source of market driven solutions and independent business advice related to technological and market developments. The company has a pragmatic and flexible approach to consultancy that leads to successful customer specific solutions.

### **Experience in developing economies**

Our consultants understand the unique circumstances and factors that govern smaller and developing economies, particularly those that are facing regulatory change as a result of new treaty obligations. We have carried out policy and strategy assignments for Government clients and market entrants in a number of African countries, the Middle East and Eastern Europe as well as in Western Europe and North America.

In the Kingdom of Bahrain, for example, we defined the strategy for liberalisation and then carried out the practical steps necessary to implement it. We carried out an economic analysis based on a series of liberalisation options, established the legal framework for liberalisation and set up the regulator, the Telecommunications Regulatory Authority (<http://www.TRA.org.bh>). We are currently providing TRA's management team. A new cellular licence has now been awarded, following an open tender process that we managed.

### **Credentials**

Our work covers virtually all sectors of telecommunications and many areas of IT. Our breadth of experience has allowed us to contribute to landmark projects involving policy, privatisation and development of new strategic directions in an increasingly volatile environment. Intercai Mondiale's public sector clients include the UK Regulator (OFTEL), the UK Radiocommunications Agency, the TCEDB of South Africa, the Netherlands TCEDB and the European Commission. Private sector clients include British Telecom, KPN, Energis, MCI WorldCom, BellSouth, Ameritech, Viag Interkom, Lattelkom and Comcor (Russia).



### **ICT and postal policy preparation**

Intercai Mondiale assisted the Ministry of Information and Communications Technology (MoICT) in Jordan in the preparation of an overarching policy statement covering the postal, telecommunications and information technology sectors.

The MoICT is required to submit policy for these sectors to the Jordanian Council of Ministers. The policy statement was prepared taking account of the requirements of the World Trade Organisation (WTO), the Free Trade Agreement with the USA, other international treaties and Jordanian law. It was justified by assessing the impact of alternative policy options on economic and social development, the development of the individual sectors and the efficiency of the government machine.



### **Technical, Economic and Regulatory Advisor to the Kingdom of Bahrain for the liberalisation of the Telecommunications market**

Intercai Mondiale was appointed by the Government of Bahrain to advise it on the strategy and approach it should adopt to liberalise its telecommunications market and support the preparation of the necessary legislative instruments. After gaining an in-depth understanding of the current market we identified a range of Market Structure Options (MSOs) that offered varying degrees of liberalisation. The economic impact on the sector and the effect on the incumbent were modelled for each MSO and a formal decision analysis process, involving the client, was undertaken to select the preferred option. We then drafted a National Plan to present the approved Government policy to the market and supported the legal team in the drafting of the necessary laws and licences.



### **Interim Telecommunications Regulator for Bahrain**

Intercai Mondiale is currently supporting the Government by fulfilling the functions of the newly created Telecommunications Regulatory Authority on an interim basis. This includes managing the transition plan from our interim position to the establishment of a permanent team. As part of this role, the Intercai Team is undertaking consultations on defining relevant markets, determinations of dominance and Significant Market Power (SMP). We are also undertaking analysis and implementing rate rebalancing, interconnect / wholesale pricing, unbundling, Cost of Capital, net USO costs and benefit analysis and determinations of a funding scheme. We were also responsible for undertaking the selection and issuance of a second mobile licence. Further we have responsibility for type approval, quality standards, customer complaints and the general operation of the regulatory function. We are in the process of recruiting permanent staff and have a programme for skills transfer and training.



### **Privatisation of Telkom, South Africa**

Intercai Mondiale advised the Department of Communication (when part of the Ministry for Posts, Telecommunications and Broadcasting) in relation to the privatisation of Telkom SA, the national telephone company. Intercai advised on the technical issues associated with the drafting of the various licenses and other regulatory instruments, including interconnection and tariff regulations, which were closely modelled on European Union precedent. Intercai Mondiale also performed work in relation to the sale of part of Telkom to a strategic investor. This involved a significant contribution to the drafting of the transaction documents and the evaluation of the bids received. Intercai was also prominent in the final negotiations between the TCEDB and the strategic investor, especially in relation to the agreement of spectrum for Wireless Local Loop deployment.



### **Telecoms tariff policy, Latvia**

Intercai Mondiale assisted Lattelekom by benchmarking their national and international telecoms tariffs with respect to comparably sized west European countries, including a view on trends in both national and international tariffs. After this, Intercai Mondiale developed a migration strategy for Lattelekom's tariffs when it became known that their national market would be liberalised on a much faster timescale than originally planned.



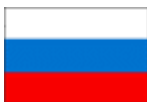
### **Modelling of interconnection costs, United Kingdom**

Intercai Mondiale developed a model to allow the evaluation of different interconnect proposals from fixed operators to one of the UK mobile operators. This included the ability to vary the 'hand-off' points for each type of mobile traffic, and estimate the infrastructure costs for different interconnect architectures. This enabled the mobile operator to determine the best interconnect terms given the characteristics of its forecast subscriber base.



### **Comparative Access Costing, The Netherlands**

For the Dutch government department (DGTP), we reviewed and assessed various access technologies (ISDN, xDSL, WLL - narrow and broadband - Cable Modems, GSM - with and without GPRS, EDGE, HSCSD - UMTS, S-UMTS and VSAT) in order to establish the foundation for future licence allocation. The government's objective was to explore the opportunities for the introduction of competition at the access layer. Our report ranked the options in terms of their ability to support competition in various markets (large business, medium business, small business, consumer) and explored bandwidth capability, technology lifetime, capital cost, running cost, etc



### **COMCOR (the Moscow Telecommunications Corporation)**

A Strategy for Cable Telephony using Voice Over the Internet Protocol. The client, at the start of a 5-year build out of a new cable TV network in metropolitan Moscow, wished to explore the feasibility of using Voice over IP (VoIP) as the telephony bearer. The study captured basic information about the client's intentions, network architecture and timescales. It then surveyed (by contacting and visiting) leading equipment suppliers to get their views on the availability and timelines for VoIP. The suppliers in question included Cisco, Lucent, Motorola, Nortel, Philips, Siemens. The project explored many technical and other issues that needed to be considered by the client in making network plans.



### **Regional hubbing for the State of Guernsey**

A comparison of the attractiveness of an island economy with considerable tax incentives as a location for e-businesses. The study assessed key issues such as availability of bandwidth, regulatory environment, access to markets, impact of local economy and access to necessary skill sets.



### **Regulatory structures worldwide**

For a major international Merchant Bank located in the UK, Intercai Mondiale reviewed the structure and function of Telecommunications Regulating Authorities around the world, to provide a vehicle for comparison, and a behavioural model, for a new Telecom Regulator in a developing country. Intercai also outlined the structure of The Regulator within the legislative, commercial and regulatory framework, and defined its functions duties and responsibilities.



### **Regulatory strategy for UMTS, The Netherlands**

The body responsible for telecommunications policy in The Netherlands, DGTP, was keen to establish the most appropriate competitive environment for the introduction of UMTS. Of particular interest was the increasing convergence between sectors, both between fixed and mobile communications and of the telecommunications industry with entertainment and computing. Intercai was asked to review the Market Structure Options available to them and recommend a route map for the decision making process.



### **Strategy for radio communications and modelling of spectrum demand, United Kingdom**

IML provided the technology expertise in a project for the UK Radiocommunications Agency (RA), the objective of which was to develop the groundwork for a strategy for spectrum



### **Foundational market study for UMTS, European Commission**

Intercai Mondiale conducted jointly with another UK consultancy a seminal study of UMTS, the Universal Mobile Telecommunications Service. Intercai provided a forecast of UMTS developments in marketing, technical and regulatory terms for the period to 2005



### **Radio Spectrum allocation in SADC countries, Southern Africa**

Intercai Mondiale undertook a review, for a new manufacturing company in South Africa, of the status of the radio spectrum and its associated regulation in 12 southern African countries.



### **Preparation for liberalisation, Jersey**

Jersey, although part of the UK, maintains a monopoly telecommunications regime. Intercai Mondiale was retained by an existing player to advise them on the potential market and prepare a business plan so as to position them to become a second carrier once liberalisation proceeded.



### **Market research and regulatory framework, Romania**

A large global mobile satellite service provider commissioned Intercai to analyse and evaluate the general and regulatory framework of the Romanian telecommunications market. The study involved market research of the country's fixed and mobile telecommunications market and was aimed at uncovering the real potential for mobile telephony provision via satellite. Since then the operator has secured an exclusive licence for satellite-based mobile service provision in the country.

## **THE INTERCAI MONDIALE TEAM - BIOGRAPHIES OF KEY PERSONNEL**

Brief biographies of consultants who have worked on public sector policy and strategy assignments are provided below. All consultants are qualified and highly experienced within the telecommunications sector, and bring specific set of skills that within a team environment forms a considerable force.

### **Keith Gilbert**

Keith has over twenty-five years of experience within telecommunications. Prior to founding Intercai Mondiale in 1988, Keith held several senior management positions within the telecommunications industry. His consulting experience encompasses all aspects of telecommunications including business strategy and regulatory development. He has been involved in numerous projects involving business valuations, market entry and value exploitation, as well as privatisation, liberalisation policies, and market structure and competitive analysis.

### **David MacKinney**

David MacKinney has spent many years at director level in the finance and commercial areas of manufacturing and service businesses. He has been involved with telecommunications since 1982, when he was part of a small team that founded Vodafone. His consulting experience encompasses business strategy, opportunity development and business valuation. Areas covered have included mobile, fixed voice and data together with cable TV and telephony, Internet Service Provision, Web development and eCommerce. He has also assisted Governments in the process of liberalisation of Communications sectors, and, advised incumbent players as to how to react to emerging competition and regulation.

### **Chris Pollard**

Chris has worked in telecommunications and information technology consultancy for over 20 years. He has considerable experience of business planning, the development of communications services and products, the evaluation of the relevant market environment and in assessing users' requirements. Through a great variety of projects in the telecommunications sector Chris has developed a strong expertise in market forecasting, modelling the financial implications of market development and assessing service and product portfolios against user requirements and specifying, designing and managing market research projects.

### **Bharat Vagadia**

Bharat specializes in market analysis, forecasting and business planning in telecommunications. He has a blend of experience that includes technical engineering, marketing, operations and business planning. Bharat spent considerable time in his previous employment at Nortel Networks advising new entrants on tariff pricing and minimising interconnect operational costs.

### **Mark Norris**

Mark Norris has 25 years experience in the telecommunications industry. He is an acknowledged expert on fixed networks and a specialist in the design and management of networks and the services they support. Mark has a proven track record of technical, communication and strategic skills allied with an ability to work with and influence others. He has led and contributed to a wide variety of projects across the world and is widely recognized as the author of a range of technical books.

**Viv Cheong**

Viv's consulting experience has been exclusively in telecommunications, usually working at director and senior management level. He has consulted extensively on the economics of mobile telecommunications and their impact on financial and commercial positions, valuations and the maximization of shareholder value. His expertise covers financial, commercial and value analysis for incumbents and new entrants in the wire line and wireless telecommunications markets.

**Jeremy Povey**

Jeremy's industry experience includes telecommunications and IT service provision. Roles in these businesses have been predominantly project based and have included Financial and Commercial Management, Business Development and Marketing with exposure to Board level. A management accountant by qualification, Jeremy's experience includes a broad range of disciplines from the formation of business strategies and models, product marketing, market analysis and service development to financial modelling.

**David Hughes**

David has over 20 years experience in telecoms, IT and e-business. More recently David has gained considerable experience in broadband access technologies, demand modelling and cost considerations and has consulted to many public authorities across the UK on initiatives to broaden the scope of broadband access to rural areas and has developed strategies to encourage both demand and supply stimulation.