



# OECD SERVICES TRADE RESTRICTIVENESS INDEX FOR TELECOMMUNICATIONS

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BEREC expert workshop on IP-Interconnection  
in co-operation with the OECD  
21 November 2016



# What is the OECD Services Trade Restrictiveness Index (OECD STRI)?



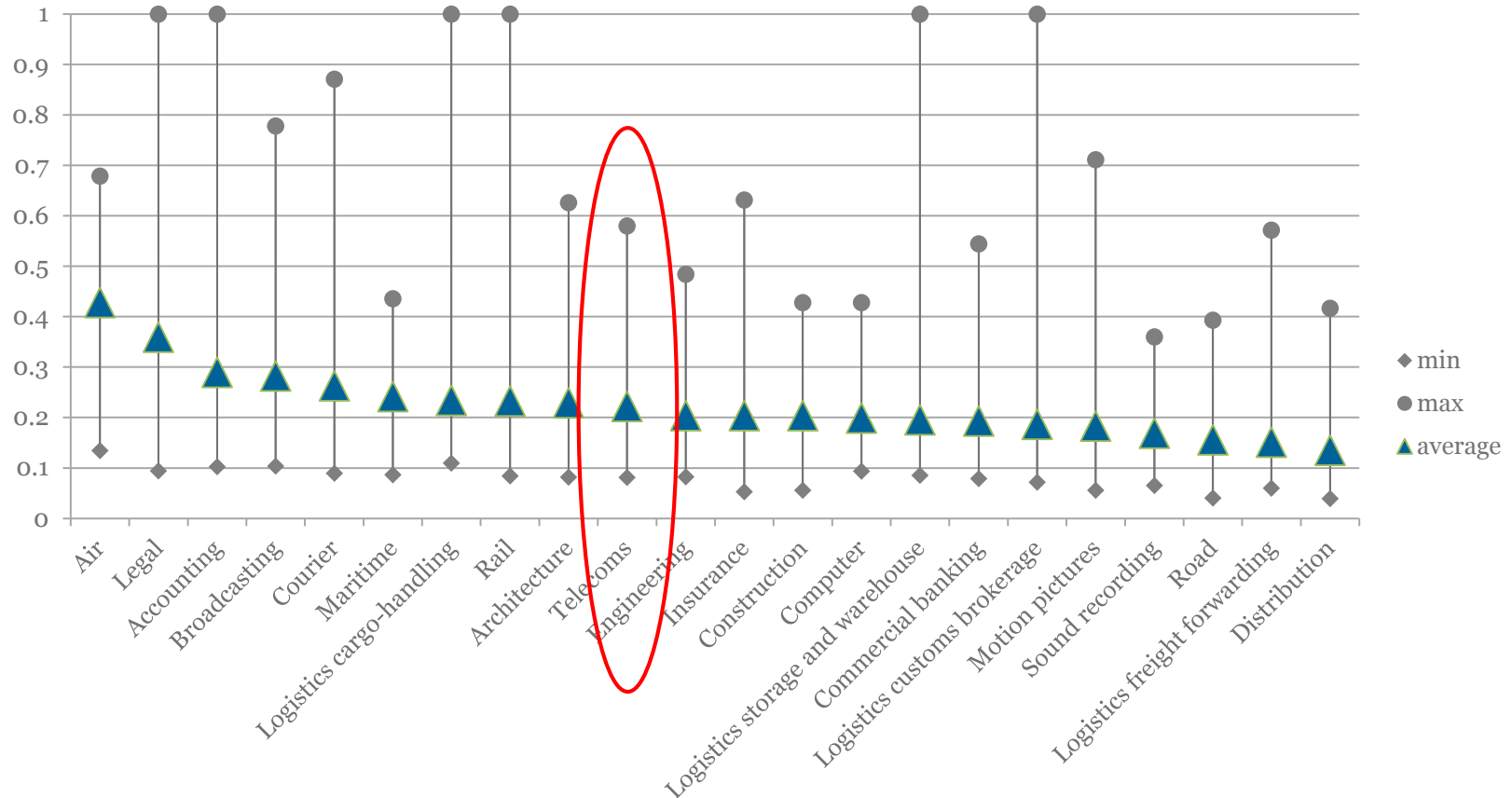
## STRI is a regulatory database

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- **Standardised set of measures** (GATS, RTAs, regulations identified by regulators, business and academics), with links to sources - more than 10,000 laws and regulations
- 44 countries
- 22 sectors
- Around 90000 observations per year for 2014, 2015 and 2016



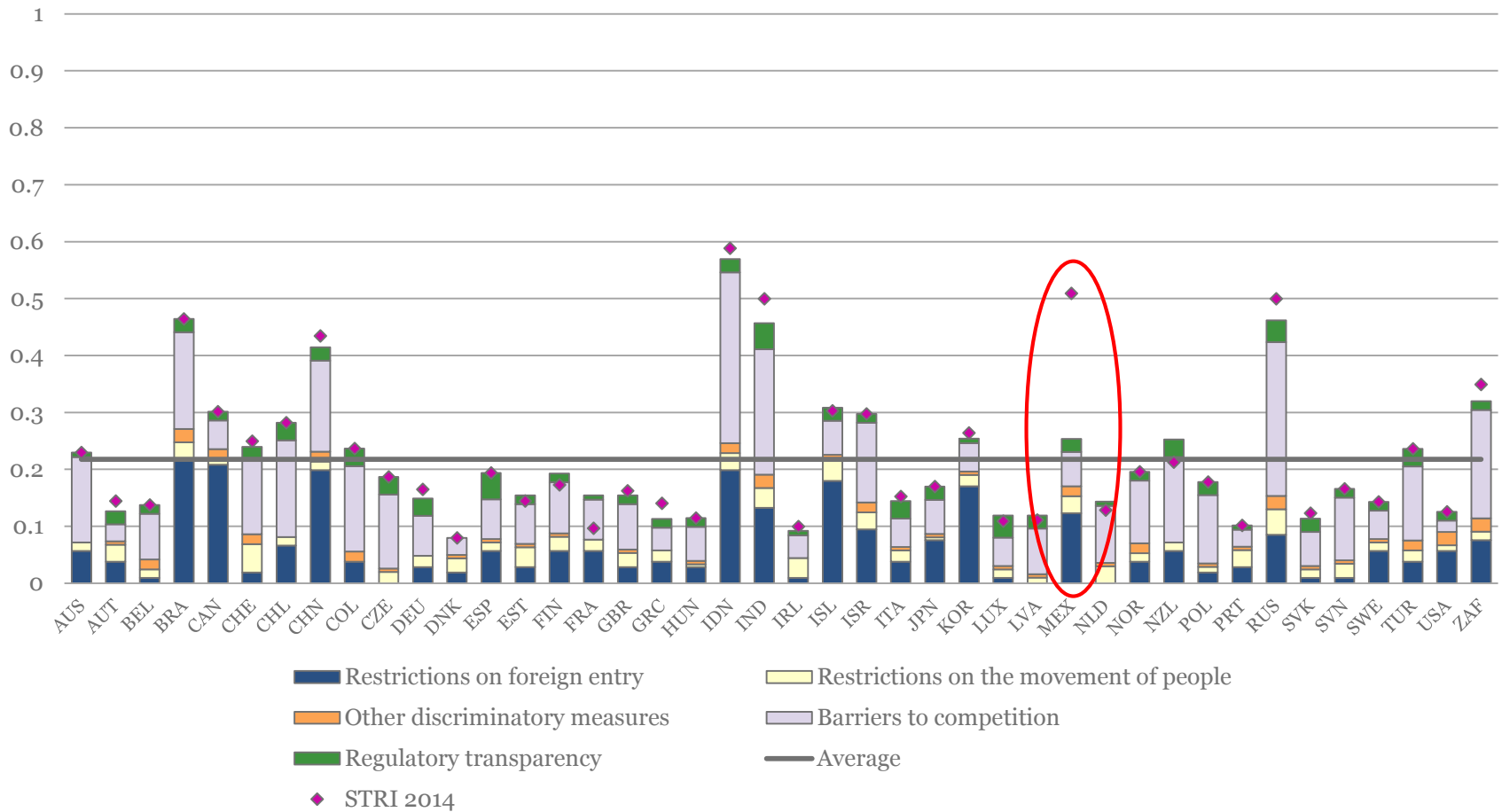
# STRI is an index



A snapshot of trade restrictiveness for the countries and sectors included at a particular point in time



# STRI telecommunications (2015)





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# The STRI methodology



# STRI Methodology for the Telecom sector

Case B  
Dominant supplier(s)

Case A Facilities based competition				Case B Dominant supplier(s)															
<b>Measures not considered</b> Unbundling of the local loop is required; Colocation or site sharing is mandated; Access to and use of public telecommunications services is mandated; Dialling parity is required;		<b>Regulations considered</b> Local loop unbundling prices are regulated; Vertical separation is required; Wholesale access prices are regulated; Interconnection prices and conditions are regulated; Interconnection and/or access agreements are made public; Mobile termination rates are regulated; Resale of public telecommunications services to other suppliers of telecommunications services, including foreign suppliers is mandated; Rates and conditions for resale of public telecommunications services to other suppliers of telecommunications services are regulated		<b>Bundle 1</b> Unbundling of the local loop is required; Local loop unbundling prices are regulated; Colocation or site sharing is mandated; Accounting separation is required;		<b>Bundle 2</b> Access to and use of public telecoms services is mandated; Wholesale access prices are regulated; Interconnection and/or access agreements are made public or Accounting separation is required		<b>Bundle 3</b> Interconnection is mandated; Interconnection prices and conditions are regulated; Interconnection and/or access agreements are made public or Accounting separation is required		<b>Bundle 4</b> Resale of public telecom services to other suppliers of telecoms services, including foreign suppliers is mandated; Rates and conditions for resale of public telecoms services to other suppliers of telecom services are regulated		<b>Stand-alone measures</b> Mobile termination rates are regulated; Dialling parity is required		<b>Bundle 3</b> Interconnection is mandated; Interconnection prices and conditions are regulated; Interconnection and/or access agreements are made public or Accounting separation is required		<b>Bundle 4</b> Resale of public telecom services to other suppliers of telecoms services, including foreign suppliers is mandated; Rates and conditions for resale of public telecoms services to other suppliers of telecom services are regulated		<b>Stand-alone measures</b> Mobile termination rates are regulated; Dialling parity is required	
YES	NO	YES	NO	All YES	At least one NO	All YES	At least one NO	All YES	At least one NO	Both YES	At least one NO	YES	NO	At least one NO	Both YES	At least one NO	YES	NO	
0	0	1	0	0	1	0	1	0	1	0	1	0	1	1	0	1	0	1	
										0 1 0 1 0 1 0 1 0 1									



## A new model for the next vintage ?

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1. What is best practice regulation of access and interconnection?
2. Under which circumstances are ex ante regulations still needed?
3. If price caps are imposed, how should they be calculated?





# Thank you !!

## Contact us

We look forward to hearing from you!



Access all of the information from the Trade & Agriculture Directorate at:

[www.oecd.org/tad](http://www.oecd.org/tad)



You can reach us via e-mail by sending your message to the following address:

[tad.contact@oecd.org](mailto:tad.contact@oecd.org)



We invite you to connect with us on Twitter by following:

[@OECDtrade](https://twitter.com/OECDtrade)

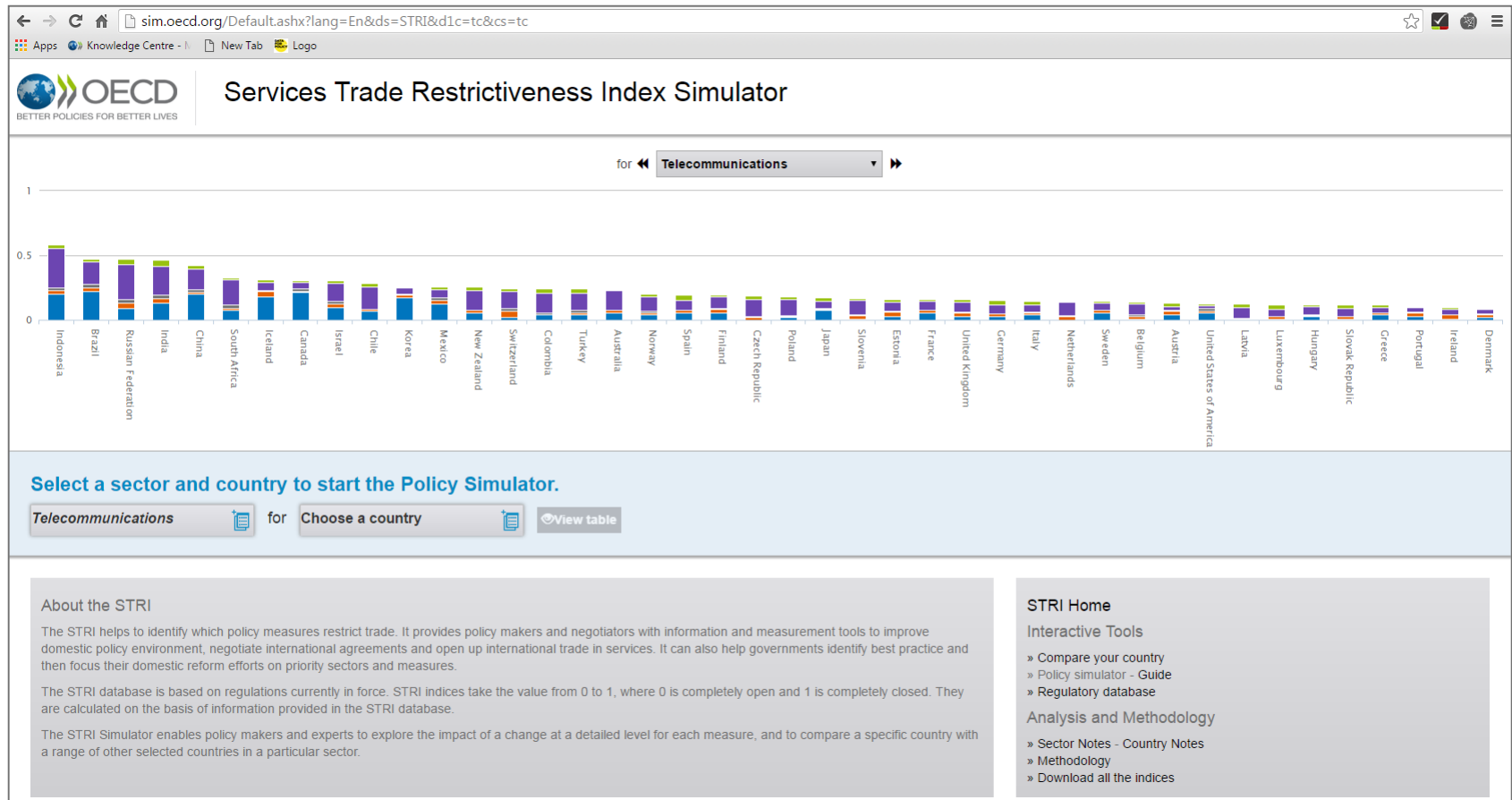


# The STRI policy simulator

<http://sim.oecd.org>



# STRI policy simulator - 1





# STRI policy simulator - 2



## Services Trade Restrictiveness Index Simulator

Telecommunications



for

Canada

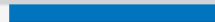


compared to

Choose a country



Canada



0.307

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### Telecommunications measures

Search a measure

Search

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Answers

Scores

Values

tc.1 Restrictions on foreign entry

Weight: 40.499%

22

0.212

tc.2 Restrictions to movement of people

Weight: 7.089%

2

0.01

tc.3 Other discriminatory measures

Weight: 2.992%

3

0.018

tc.4 Barriers to competition

Weight: 40.775%

5

0.051

tc.5 Regulatory transparency

Weight: 8.646%

2

0.016

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# STRI policy simulator - 3



## Services Trade Restrictiveness Index Simulator

Telecommunications



for Canada

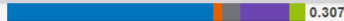


compared to

Choose a country



Canada



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### Telecommunications measures

Search a measure

Search

Cancel

### Answers

### Scores

### Values

▼ tc. 1 Restrictions on foreign entry	Weight: 40.499%	22	0.212
1.1.1 Maximum foreign equity share allowed (%) (fixed)	Less than 33% ▼	3	0.029
1.1.1 Maximum foreign equity share allowed (%) (mobile)	Less than 33% ▼	3	0.029
1.1.1 Maximum foreign equity share allowed (%) (internet)	Less than 33% ▼	3	0.029
1.1.3 There are limits to the proportion of shares that can be acquired by foreign investors publicly-controlled firms	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.2.1 Legal form: Joint ventures required (fixed)	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.2.1 Legal form: Joint ventures required (mobile)	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.2.1 Legal form: Joint ventures required (internet)	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.2.11 Legal form: other restrictions	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.4.1 Board of directors: majority must be nationals	<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.4.2 Board of directors: majority must be residents	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	1	0.01
1.4.3 Board of directors: at least one must be national	<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.4.4 Board of directors: at least one must be resident	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	1	0.01
1.4.5 Manager must be national	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.4.6 Manager must be resident	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.5.1 Screening explicitly considers economic interests (fixed)	<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.5.1 Screening explicitly considers economic interests (mobile)	<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.5.1 Screening explicitly considers economic interests (internet)	<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.5.2 Screening exists without exclusion of economic interests (fixed)	<input type="radio"/> Yes <input checked="" type="radio"/> No/na	1	0.01



# STRI policy simulator - 4

tc.1 Restrictions on foreign entry	Weight: 40.499%	13	0.125
tc.2 Restrictions to movement of people	Weight: 7.089%	6	0.03
tc.3 Other discriminatory measures	Weight: 2.992%	3	0.018
tc.4 Barriers to competition	Weight: 40.775%	6	0.061
4.1.2 Decisions by the regulatory body can be appealed	<input type="radio"/> Yes/na <input type="radio"/> No	0	0
4.2.1 Firms have redress when business practices restrict competition in a given market	<input type="radio"/> Yes/na <input type="radio"/> No	0	0
4.3.1 The government controls at least one major firm in the sector	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.4.1 Publicly-controlled firms are exempted from the application of the general competition law	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.3.2 The government has special voting rights (e.g. golden shares) in any firms	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.10.1 Access to and use of public telecommunications service is mandated (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.10.1 Access to and use of public telecommunications service is mandated (mobile)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.10.1 Access to and use of public telecommunications service is mandated (internet)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.12.1 Wholesale access prices are regulated (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.12.1 Wholesale access prices are regulated (mobile)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.12.1 Wholesale access prices are regulated (internet)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.13.1 Interconnection is mandated (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.13.1 Interconnection is mandated (mobile)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.13.2 Interconnection prices and conditions are regulated (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.13.2 Interconnection prices and conditions are regulated (mobile)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.13.3 Interconnection and/or access agreements are made public (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.13.3 Interconnection and/or access agreements are made public (mobile)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.14.1 Unbundling of the local loop is required	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.14.2 Local loop unbundling prices are regulated	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.15.1 Collocation or site sharing is mandated (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.15.1 Collocation or site sharing is mandated (mobile)	<input type="radio"/> Yes <input type="radio"/> No/na	1	0.01
4.16.1 Resale of public telecommunications services to other suppliers is mandated (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.16.1 Resale of public telecommunications services to other suppliers is mandated (mobile)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.17.1 Secondary spectrum trading is allowed	<input type="radio"/> Yes/na <input type="radio"/> No	0	0
4.18.1 Mobile termination rates are regulated	<input type="radio"/> Yes/na <input type="radio"/> No	0	0
4.19.1 Wholesale roaming rates are regulated	<input type="radio"/> Yes/na <input type="radio"/> No	1	0.01
4.19.2 Retail roaming rates are regulated	<input type="radio"/> Yes/na <input type="radio"/> No	1	0.01
4.23.1 Vertical separation is required (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.23.1 Vertical separation is required (mobile)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.23.1 Vertical separation is required (internet)	<input type="radio"/> Yes <input type="radio"/> No/na	1	0.01
4.24.1 Contracts for universal services obligations are assigned on a competitive basis	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.25.17 Memo: At least one dominant firm in the market segment considered (fixed)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.25.17 Memo: At least one dominant firm in the market segment considered (mobile termination)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.25.17 Memo: At least one dominant firm in the market segment considered (mobile origination)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.25.17 Memo: At least one dominant firm in the market segment considered (internet)	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
4.50.1 Other restrictions in barriers to competition	<input type="radio"/> Yes <input type="radio"/> No/na	0	0
tc.5 Regulatory transparency	Weight: 8.646%	3	0.024



# STRI policy simulator - 5

**OECD**  
BETTER POLICIES FOR BETTER LIVES

**Services Trade Restrictiveness Index Simulator**

Telecommunications

for

Canada

compared to

Choose a country

Canada edited

0.191

Canada


0.307

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Telecommunications measures	Search a measure	Search	Cancel	Answers	Scores	Values
▼ <b>1c.1 Restrictions on foreign entry</b>				<b>Weight: 40.499%</b>	<b>22 → 10</b>	<b>0.212 → 0.096</b>
1.1.1 Maximum foreign equity share allowed (%) (fixed) ⬆				Exactly 100% ▼	3 → 0	0.029 → 0
1.1.1 Maximum foreign equity share allowed (%) (mobile) ⬆				Exactly 100% ▼	3 → 0	0.029 → 0
1.1.1 Maximum foreign equity share allowed (%) (internet) ⬆				Exactly 100% ▼	3 → 0	0.029 → 0
1.1.3 There are limits to the proportion of shares that can be acquired by foreign investors publicly-controlled firms ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.2.1 Legal form: Joint ventures required (fixed) ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.2.1 Legal form: Joint ventures required (mobile) ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.2.1 Legal form: Joint ventures required (internet) ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.2.11 Legal form: other restrictions ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.4.1 Board of directors: majority must be nationals ⬆				<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.4.2 Board of directors: majority must be residents ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	1	0.01
1.4.3 Board of directors: at least one must be national ⬆				<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.4.4 Board of directors: at least one must be resident ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	1	0.01
1.4.5 Manager must be national ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.4.6 Manager must be resident ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	0	0
1.5.1 Screening explicitly considers economic interests (fixed) ⬆				<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.5.1 Screening explicitly considers economic interests (mobile) ⬆				<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.5.1 Screening explicitly considers economic interests (internet) ⬆				<input checked="" type="radio"/> Yes <input type="radio"/> No/na	1	0.01
1.5.11 Screening explicitly considers economic interests (fixed) ⬆				<input type="radio"/> Yes <input checked="" type="radio"/> No/na	1	0.01



# STRI policy simulator - 6

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Services Trade Restrictiveness Index Simulator

Telecommunications for Canada compared to Mexico

Canada edited

0.191

Canada

0.307

Mexico

0.258

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Telecommunications measures	Search a measure	Search	Cancel	Answers	Scores	Values	Mexico
▶ tc.1 Restrictions on foreign entry				Weight: 40.499%	22 → 10	0.212 → 0.096	0.125
▶ tc.2 Restrictions to movement of people				Weight: 7.089%	2	0.01	0.03
▶ tc.3 Other discriminatory measures				Weight: 2.992%	3	0.018	0.018
▶ tc.4 Barriers to competition				Weight: 40.775%	5	0.051	0.061
▶ tc.5 Regulatory transparency				Weight: 8.646%	2	0.016	0.024

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