

ICTs and services trade within SAARC

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ICTs and services trade

- ICT connectivity is what makes Mode 1 services trade possible; also facilitates trade in other modes; the supply of ICT services is also an important element of services trade
- Little data available on services trade, especially because SAFTA and CEPA services provisions not yet operational
- E connectivity within the region is a reasonable proxy for progress on creating conditions conducive for services trade

Is SAARC real, in terms of electronic connectivity?

- Measures:
 - It must be cheaper/easier to communicate within SAARC than to points outside SAARC
 - Leased-line costs must be lower than extra-SAARC
 - Not covered in this presentation as research is not complete
 - Intra-SAARC fixed calling charges must be lower
 - Intra-SAARC mobile calling charges must be lower
 - If SAARC shares the single-market objectives of other regional groupings such as EU and ASEAN, roaming charges within SAARC for SAARC citizens must be lower/more transparent than when they are roaming outside
 - Affects less people, but the people affected are those who knit the region together

Colombo Declaration of 15th SAARC Summit, Para 6

“The Heads of State or Government observed that an effective and economical regional telecommunication regime is an essential factor of connectivity, encouraging the growth of people-centric partnerships. They stressed the need for the Member States to endeavour to move towards a uniformly applicable low tariff, for international direct dial calls within the region.”

Intra-SAARC fixed [and mobile]
voice services

Intra-SAARC fixed voice: Sri Lanka lowest; treats all SAARC countries equally

All tariffs in USD		Calling from								
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
			Peak	Off-peak						
Calling to	Afghanistan		0.35	0.26	0.97	0.25	0.71	0.41	0.18	0.16
	Bangladesh	0.25			0.39	0.20	0.24	0.20	0.12	0.16
	Bhutan	0.25	0.26	0.22		0.20	0.55	0.26	0.18	0.16
	India	0.25	0.26	0.22	0.11		0.31	0.20	0.10	0.16
	Maldives	0.25	0.26	0.22	0.39	0.20		0.26	0.30	0.16
	Nepal	0.25	0.26	0.22	0.39	0.20	0.47		0.18	0.16
	Pakistan	0.19	0.26	0.22	0.39	0.20	0.31	0.20		0.16
	Sri Lanka	0.25	0.26	0.22	0.39	0.15	0.31	0.20	0.18	

Source: International Voice Benchmarks (February 2010) *Table 1: International Fixed Voice calls*
<http://lirneasia.net/wp-content/uploads/2010/03/International-Voice-Prices-Feb-2010.pdf>

- Maldives has highest intra-SAARC calling rates for most of the SAARC countries; followed by Bhutan
- Many play favorites (PK for AF {24% cheaper}; IN for BT {1/10th of highest}; LK for IN {25% cheaper}; IN for PK {1/3rd of highest})

Extra-SAARC fixed voice: PK lowest (way lower than intra-SAARC); LK cheaper than intra-SAARC

All tariffs in USD		Calling from								
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
			Peak	Off-peak						
Calling to	Malaysia	0.11	0.26	0.22	0.97	0.20	0.28	0.51	0.02	0.11
	China	0.11	0.35	0.26	0.65	0.25	0.24	0.51	0.02	0.11
	Australia	0.11	0.35	0.26	0.39	0.25	0.31	0.51	0.02	0.11
	UK	0.25	0.35	0.26	0.39	0.15	0.39	0.51	0.18	0.11
	US	0.25	0.35	0.26	0.39	0.15	0.24	0.51	0.02	0.11
	South Africa	0.25	0.44	0.35	0.65	0.25	0.39	0.51	0.12	0.11
	Saudi Arabia	0.25	0.26	0.22	0.97	0.25	0.39	0.51	0.11	0.22
	UAE	0.25	0.26	0.22	0.65	0.20	0.39	0.51	0.14	0.22

Source: International Voice Benchmarks (February 2010) *Table 1: International Fixed Voice calls*
<http://lirneasia.net/wp-content/uploads/2010/03/International-Voice-Prices-Feb-2010.pdf>

SAARC is real in fixed-voice connectivity terms only for Bangladesh and Nepal

Since 15th Summit: Only Sri Lanka, Bhutan & India have heeded the Heads of State even partially

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All tariffs in USD		Calling from									
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal		Pakistan	Sri Lanka
			Peak	Off-peak				Peak	Off-peak		
Calling to	Afghanistan	Tariff were not available	0.35	0.26	0.98	0.28	0.70	0.29	0.22	0.22	0.94
	Bangladesh				0.59	0.28	0.30	0.29	0.22	0.14	0.32
	Bhutan		0.26	0.22		0.28	0.55	0.29	0.22	0.22	0.52
	India		0.26	0.22	0.31		0.30	0.29	0.22	0.12	0.32
	Maldives		0.26	0.22	0.59	0.28		0.29	0.22	0.36	0.32
	Nepal		0.26	0.22	0.59	0.28	0.46			0.22	0.32
	Pakistan		0.26	0.22	0.59	0.28	0.30	0.29	0.22		0.32
	Sri Lanka		0.26	0.22	0.59	0.17	0.30	0.29	0.22	0.22	

Source: International Voice Benchmarks (July 2008) Table 1: International Fixed Voice calls (<http://lirneasia.net/wp-content/uploads/2008/07/intl-voice-july-08.pdf>)

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All tariffs in USD		Calling from								
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
			Peak	Off-peak						
Calling to	Afghanistan		0.35	0.26	0.97	0.25	0.71	0.41	0.18	0.16
	Bangladesh	0.25			0.39	0.20	0.24	0.20	0.12	0.16
	Bhutan	0.25	0.26	0.22		0.20	0.55	0.26	0.18	0.16
	India	0.25	0.26	0.22	0.11		0.31	0.20	0.10	0.16
	Maldives	0.25	0.26	0.22	0.39	0.20		0.26	0.30	0.16
	Nepal	0.25	0.26	0.22	0.39	0.20	0.47		0.18	0.16
	Pakistan	0.19	0.26	0.22	0.39	0.20	0.31	0.20		0.16
	Sri Lanka	0.25	0.26	0.22	0.39	0.15	0.31	0.20	0.18	

Source: International Voice Benchmarks (February 2010) Table 1: International Fixed Voice calls (<http://lirneasia.net/wp-content/uploads/2010/03/International-Voice-Prices-Feb-2010.pdf>)

Intra-SAARC fixed voice: Percentage reductions since 15th Summit

Reduction in prices by February 2010 relative to July 2008		Calling from					
		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
Calling to	Afghanistan	1%	13%	-1%	(41%)	17%	83%
	Bangladesh	34%	30%	22%	30%	17%	51%
	Bhutan		30%	-1%	12%	17%	70%
	India	65%		-1%	30%	17%	51%
	Maldives	34%	30%		12%	17%	51%
	Nepal	34%	30%	-1%		17%	51%
	Pakistan	34%	30%	-1%	30%		51%
	Sri Lanka	34%	13%	-1%	30%	17%	

Intra-SAARC mobile voice: India is lowest; treats SAARC countries equally

	All tariffs in USD	Calling from								
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
			Peak	Off-peak						
Calling to	Afghanistan		0.35	0.26	0.97	0.20	0.71	0.26	0.24	0.70
	Bangladesh	0.48			0.39	0.20	0.31	0.26	0.10	0.31
	Bhutan	0.48	0.26	0.22		0.20	0.55	0.26	0.24	0.53
	India	0.48	0.26	0.22	0.11		0.31	0.26 *	0.10	0.09
	Maldives	0.48	0.26	0.22	0.39	0.20		0.26	0.24	0.70
	Nepal	0.48	0.26	0.22	0.39	0.20	0.47		0.24	0.31
	Pakistan	0.48	0.26	0.22	0.39	0.20	0.31	0.26		0.31
	Sri Lanka	0.48	0.26	0.22	0.39	0.20	0.31	0.26	0.24	

Source: International Voice Benchmarks (February 2010) *Table 2: International Mobile Voice calls* (<http://lirneasia.net/wp-content/uploads/2010/03/International-Voice-Prices-Feb-2010.pdf>)

* Off peak rate for calling India is USD 0.19

- AF, BD, IN and NP treat SAARC countries the same. Others play favorites: IN for BT, BD and IN for PK; IN for LK
- Sri Lankan operators engaged in price war on mobile calling to India in past few months, not reflected in above numbers; initiated by Bharti Airtel so likely in Bangladesh also

Extra-SAARC mobile voice: PK is lowest; NP is highest

	All tariffs in USD	Calling from								
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
			Peak	Off-peak	Peak					
Calling to	Singapore	0.48	0.26	0.22	0.39	0.14	0.24	0.65	0.03	0.10
	Hong Kong	0.48	0.26	0.22	0.39	0.14	0.28	0.65	0.03	0.10
	UK	0.53	0.35	0.26	0.39	0.14	0.39	0.65	0.03	0.19
	US	0.53	0.35	0.26	0.39	0.14	0.24	0.65	0.03	0.10
	South Africa	0.63	0.44	0.35	0.65	0.20	0.39	0.65	0.10	0.22
	Saudi Arabia	0.48	0.26	0.22	0.97	0.20	0.39	0.65	0.13	0.26

Source: International Voice Benchmarks (February 2010) *Table 2: International Mobile Voice calls*
<http://lirneasia.net/wp-content/uploads/2010/03/International-Voice-Prices-Feb-2010.pdf>

SAARC is real in terms of mobile-voice connectivity only for Nepal, but perhaps only because its international calling charges are excessive

Since 15th Summit: Only Bhutan & Nepal have heeded the Heads of State even partially

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Source: International Voice Benchmarks (July 2008) Table 2: International Mobile Voice calls (<http://lirneasia.net/wp-content/uploads/2008/07/intl-voice-july-08.pdf>)

-no values for BT calling AF,
*NP calling IN at off peak is USD 0.22

All tariffs in USD		Calling from								
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
			Peak	Off-peak						
Calling to	Afghanistan		0.38	0.29	-	0.22	0.70	0.36	0.29	0.74
	Bangladesh	0.49			0.59	0.22	0.30	0.36	0.12	0.32
	Bhutan	0.49	0.29	0.25		0.22	0.55	0.36	0.29	0.56
	India	0.49	0.29	0.25	0.31		0.30	0.29 *	0.16	0.14
	Maldives	0.49	0.29	0.25	0.59	0.22		0.36	0.29	0.23
	Nepal	0.49	0.29	0.25	0.59	0.22	0.46		0.29	0.32
	Pakistan	0.49	0.29	0.25	0.59	0.22	0.30	0.36		0.32
	Sri Lanka	0.49	0.29	0.25	0.59	0.22	0.30	0.36	0.29	

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Source: International Voice Benchmarks (February 2010) Table 1: International Mobile Voice calls (<http://lirneasia.net/wp-content/uploads/2010/03/International-Voice-Prices-Feb-2010.pdf>)

All tariffs in USD		Calling from								
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
			Peak	Off-peak						
Calling to	Afghanistan		0.35	0.26	0.97	0.20	0.71	0.26	0.24	0.70
	Bangladesh	0.48			0.39	0.20	0.31	0.26	0.10	0.31
	Bhutan	0.48	0.26	0.22		0.20	0.55	0.26	0.24	0.53
	India	0.48	0.26	0.22	0.11		0.31	0.26 *	0.10	0.09
	Maldives	0.48	0.26	0.22	0.39	0.20		0.26	0.24	0.70
	Nepal	0.48	0.26	0.22	0.39	0.20	0.47		0.24	0.31
	Pakistan	0.48	0.26	0.22	0.39	0.20	0.31	0.26		0.31
	Sri Lanka	0.48	0.26	0.22	0.39	0.20	0.31	0.26	0.24	

Intra-SAARC mobile voice: Percentage reductions since 15th Summit

Reduction in prices by February 2010 relative to July 2008		Calling from								
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
			Peak	Off-peak						
Calling to	Afghanistan		8%	10%	-	8%	-1%	28%	17%	6%
	Bangladesh	3%			34%	8%	-1%	28%	17%	6%
	Bhutan	3%	10%	12%		8%	-1%	28%	17%	6%
	India	3%	10%	12%	65%		-1%	10%	40%	37%
	Maldives	3%	10%	12%	34%	8%		28%	17%	(202%)
	Nepal	3%	10%	12%	34%	8%	-1%		17%	6%
	Pakistan	3%	10%	12%	34%	8%	-1%	28%		6%
	Sri Lanka	3%	10%	12%	34%	8%	-1%	28%	17%	

Skype and Google; does it make any difference?

Fixed lines

Highlighted in red are lowest for each country

	All tariffs in USD	Countries calling from									Using	
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka	Skype (pay as you go)	Google
			Peak	Off-peak	Peak							
Calling to	Afghanistan		0.35	0.26	0.97	0.25	0.71	0.41	0.18	0.16	0.35	0.27
	Bangladesh	0.25			0.39	0.20	0.24	0.20	0.12	0.16	0.14	0.10
	Bhutan	0.25	0.26	0.22		0.20	0.55	0.26	0.18	0.16	0.22	0.18
	India	0.25	0.26	0.22	0.11		0.31	0.20	0.10	0.16	0.09	0.06
	Maldives	0.25	0.26	0.22	0.39	0.20		0.26	0.30	0.16	0.66	0.70
	Nepal	0.25	0.26	0.22	0.39	0.20	0.47		0.18	0.16	0.31	0.19
	Pakistan	0.19	0.26	0.22	0.39	0.20	0.31	0.20		0.16	0.14	0.11
	Sri Lanka	0.25	0.26	0.22	0.39	0.15	0.31	0.20	0.18		0.15	0.12

Sources: International Voice Benchmarks (February 2010) Table 1: International Fixed Voice calls (<http://lirneasia.net/wp-content/uploads/2010/03/International-Voice-Prices-Feb-2010.pdf>)

Skype (pay as you go) as of 27 August 2010

Google voice calling as of 27 August 2010

LK fixed line operators are offering lower calling tariffs compared to other international call offering services.

Mobile lines

Highlighted in red are lowest for each country

	All tariffs in USD	Calling from								Calling from		
		Afghanistan	Bangladesh		Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka	Skype (pay as you go)	Google
			Peak	Off-peak								
Calling to	Afghanistan		0.35	0.26	0.97	0.20	0.71	0.26	0.24	0.70	0.35	0.27
	Bangladesh	0.48			0.39	0.20	0.31	0.26	0.10	0.31	0.14	0.10
	Bhutan	0.48	0.26	0.22		0.20	0.55	0.26	0.24	0.53	0.22	0.18
	India	0.48	0.26	0.22	0.11		0.31	0.26	0.10	0.09	0.09	0.06
	Maldives	0.48	0.26	0.22	0.39	0.20		0.26	0.24	0.70	0.66	0.70
	Nepal	0.48	0.26	0.22	0.39	0.20	0.47		0.24	0.31	0.31	0.19
	Pakistan	0.48	0.26	0.22	0.39	0.20	0.31	0.26		0.31	0.14	0.11
	Sri Lanka	0.48	0.26	0.22	0.39	0.20	0.31	0.26	0.24		0.15	0.12

Sources: International Voice Benchmarks (February 2010) *Table 2: International Mobile Voice calls* (<http://lirneasia.net/wp-content/uploads/2010/03/International-Voice-Prices-Feb-2010.pdf>)

Skype (pay as you go) as of 27 August 2010

Google voice calling as of 27 August 2010

Google seems to be offering lower tariff than the Mobile operators

Intra-SAARC roaming

Not in 15th Summit Declaration, but
of stated interest to South Asian
Telecom Regulators Council (SATRC)

Roaming is complex

- Includes many functionalities, including
 - Making a local call in roamed-in country
 - Making a call back home from roamed-in country
 - Receiving a call while roaming
 - Sending an SMS in roamed in country

Making a local call whilst roaming: **Expensive and opaque**

Local outgoing call (SAARC countries)		Roaming from							
		Afghanistan	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
Roaming In	Afghanistan		0.60	~	0.60	0.64	0.60	0.90	0.69
	Bangladesh	1.50		~	0.64	0.80	0.40	0.90	0.75
	Bhutan	~	1.29		1.28	1.94	1.29	~	1.50
	India	2.50	1.07	1.36		1.65	1.04	~	2.07
	Maldives	1.50	0.17	~	0.30		0.30	0.90	0.34
	Nepal	2.50	0.41	~	0.49	0.77		0.90	0.61
	Pakistan	1.50	0.38	~	~	0.60	0.36		0.52
	Sri Lanka	3.00	0.32	~	0.32	0.44	0.32	1.49	

Sources: International Roaming Benchmarks (July 2010) *Local outgoing call* (<http://lirneasia.net/wp-content/uploads/2007/08/Roaming-Data-July-for-publicationV22.pdf>)

~ No data available

- Indian operators rip off roamers the most; followed closely by Bhutan
- Afghan roamers treated the worst by all SAARC countries
- Opaque except for AF and PK where the customers have a fighting chance of understanding the roaming charges they will experience, but even here, **SAARC has no meaning**

Sample of the multiple that a roamer pays to make a local call if she does not use a local SIM

Roaming vs. Domestic ratios		Roaming from							
		Afghanistan	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka
Roaming In	Afghanistan		5	-	5	5	5	8	6
	Bangladesh	50		-	21	27	13	30	25
	Bhutan	-	22		21	32	22	-	25
	India	78	33	43		52	33	-	65
	Maldives	13	1	-	3		3	8	3
	Nepal	53	9	-	10	16		19	13
	Pakistan	94	24	-	-	38	23		33
	Sri Lanka	68	7	-	7	10	7	34	

Sources: International Roaming Benchmarks (July 2010) Local outgoing call (European countries) (<http://lirneasia.net/wp-content/uploads/2007/08/Roaming-Data-July-for-publicationV22.pdf>)

Maldives only one in realm of reasonableness, but only for some countries;

Pakistan & India the most unreasonable

Lessons on simplicity from European Union, a real regional grouping

All tariffs in USD: Making a Local roaming call (European countries)		Roaming from															
		Belgium	Bulgaria	Cyprus	Czech Republic	Estonia	Finland	Germany	Greece	Ireland	Lithuania	Luxembourg	The Netherlands	Romania	Spain	Sweden	UK
Roaming in	Belgium		0.59	0.56	0.64	0.60	0.60	0.58	0.48	0.59	0.60	0.55	0.58	0.49	0.49	0.63	0.58
	Cyprus	0.49	0.59		0.64	0.60	0.60	0.58	0.48	0.59	0.60	0.55	0.58	0.49	0.49	0.63	0.58
	Estonia	0.49	0.59	0.56	0.64		0.60	0.58	0.48	0.59	0.60	0.55	0.58	0.49	0.49	0.63	0.58
	Germany	0.49	0.59	0.56	0.64	0.60	0.60		0.48	0.59	0.60	0.55	0.58	0.49	0.49	0.63	0.58
	Hungary	0.49	0.59	0.56	0.64	0.60	0.60	0.58	0.48	0.59	0.60	0.55	0.58	0.49	0.49	0.63	0.58
	Latvia	0.49	0.59	0.56	0.64	0.60	0.60	0.58	0.48	0.59	0.60	0.55	0.58	0.49	0.49	0.63	0.58
	Portugal	0.49	0.59	0.56	0.64	0.60	0.60	0.58	0.48	0.59	0.60	0.55	0.58	0.49	0.49	0.63	0.58

Sources: International Roaming Benchmarks (July 2010) *Local outgoing call (European countries)* (<http://lirneasia.net/wp-content/uploads/2007/08/Roaming-Data-July-for-publicationV22.pdf>)

No matter where a telco customer in an EU country roams within Europe, same price is paid

What LIRNEasia is doing to assist

- We will continue to collect and publish information on international call prices and roaming prices (making a local call in roaming country, calling home from roaming country, receiving a call, sending an SMS) at <http://lirneasia.net/projects/2008-2010/indicators-continued/benchmarks/> using a standard methodology
 - Domestic voice and SMS prices collected since 2007, but will not be collected from 2010 onward
 - Roaming data collection started at request of TRAI Chair/SATRC Chair in 2008; would be happy to hand over to any organization once the methodology is stable

Is SAARC real?

Do Declarations matter?

16th Summit resolves to implement resolutions; what recourse if this too is not implemented?

5. The Leaders agreed that the scope and substance of cooperation had expanded However, a number of these had not translated into meaningful and tangible benefits to the people. . . . They resolved that the Silver Jubilee Year should be commemorated by making SAARC truly action oriented **by fulfilling commitments, implementing declarations and decisions and operationalizing instruments** and living up to the hopes and aspirations of one-fifth of humanity.