



H.E. António Guterres
Secretary General
United Nations
New York
USA

11 December 2018

Your Excellency,

Over-The-Top study for consideration by the UN High-level Panel on Digital Cooperation

At the outset kindly accept my compliments on setting up the UN High-level Panel on Digital Cooperation. In this age of the fourth industrial revolution and emerging technologies, digital cooperation is certainly of great importance and requires more focus and attention.

As technology continues to break barriers, we have seen that the digital revolution has also brought in challenges and opportunities that require redress. One such area is the *Over-The-Top (OTT)* services where more cooperation is needed amongst all sectors involved.

A number of Commonwealth member countries highlighted challenges posed by the provision of OTT services, especially the impact on revenues of traditional telecom operators; and the perceived benefits and effects of either regulation or non-regulation of OTTs.

The Commonwealth Telecommunications Organisation (CTO) was mandated by the Commonwealth full member countries in June 2016 to conduct a study to understand the market dynamics, policy and regulatory issues related to OTT services. This was in the context of two aspects – first, their impact on traditional business models, and secondly, to seek out opportunities for innovation and stimulation of economic growth.

I am pleased to present the attached a summary note and report on the OTT study undertaken by the CTO. This report has since been presented and endorsed by all CTO full member countries in June 2018. I believe it provides a valuable contribution for consideration by the UN High-level Panel on Digital Cooperation during its upcoming session in January 2019.

Please accept, your Excellency, the assurance of my highest consideration.

Gisa Fuatai Purcell
Acting Secretary-General



Over-the-Top (OTT) Study Report

Summary Note

The global information and communications technology (ICT) industry has evolved over the past decades from an era where it was largely a monopoly dominated by single state owned entities providing basic telecommunication services to citizens, to an era where the industry has become liberalized with multiple players offering various forms of ICT/telecommunication services. This liberalisation has enabled competition in the industry, which in turn has generated significant growth and innovation making it unarguably one of the fastest growing and most innovative industries in the world.

Following concerns raised by some Commonwealth member countries about issues surrounding the provision of over-the-top (OTT) services, jurisdiction, the impact on revenues of traditional telecom operators, perceived benefits and effects of regulating or not regulating, taxation, data security and protection, need for accurate and verifiable data on subscription and usage amongst other things; the Commonwealth Telecommunications Organisation (CTO) was mandated by Commonwealth ICT Ministers at the Commonwealth ICT Ministers Forum in London, June 2016 to conduct a study to understand the market dynamics, policy and regulatory issues related to OTT services, both in the context of their impact on traditional business models, and of opportunities for innovation and stimulation of economic growth.

Motivated by this need, the main objective of this study was to develop a better understanding of OTT services and their imperatives, through a survey targeting relevant stakeholders (including service providers, policymakers, regulators, OTT service providers and consumers of OTT services) based in different jurisdictions. It is expected that the output of the study will enable future deployment of OTT services to be conducted in a manner that addresses the interests and concerns of all stakeholders to the benefit of consumers.

Another objective of the study is to develop, based on consultations with relevant stakeholders in a number of jurisdictions, a good practice operational framework for OTT service providers, including policymakers and regulators around the globe. It is expected that this framework will enable all stakeholders including ICT policymakers, ICT regulators, network operators, OTT service providers and the consumers facilitate the deployment of OTT services in a manner that addresses all their concerns, while at the same time address the



The main purpose for seeking a session for discussion at High-level Panel on Digital Cooperation

The session will seek to inform UN member countries of the OTT report, which has been prepared by the CTO with a view towards obtaining endorsement of the report by High-level Panel on Digital Cooperation.

During the session the CTO aims to:

1. Discuss the findings and recommendations of the report;
2. Facilitate discussion on the challenges of OTT services within UN member countries and both regional and international jurisdictions;
3. Seek consensus by the panel on the way forward in addressing OTT services as an emerging technology; and finally
4. Request partnership between CTO and the High-level Panel on Digital Cooperation, to assist other UN member states in creating conducive and enabling frameworks to enable the provision of OTT services to benefit all stakeholders, including governments and regulators.

The full report, titled *Over-The-Top services: Understanding the Challenges and Opportunities* is provided separately.



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