

## LECTURE

# UNIVERSAL SERVICE OBLIGATIONS AND REGULATION REGIMES: THE EXPERIENCE OF LATIN AMERICA

Barcelona, 6-7 March 2008  
CIDOB Foundation. 08001 Barcelona

In recent decades, most of the countries in the world have begun liberalising their network industries. This has particularly affected those of telecommunications, postal services, transport, energy and water supply. The main aim of this reform is to increase competition, in the hope that this will serve to lower prices and increase the variety of services and the efficiency of production processes. Nevertheless, in a liberalised market, the most vulnerable social groups and rural regions may be denied access to these basic public services. As a result, most countries adopt universal service policies to complement the developing of competition. These policies guarantee all citizens — irrespective of where they live or their level of purchasing power — access to a basic package of services at affordable prices and with an acceptable quality.

The aim of this seminar is to analyse the current state of universal service policies in Latin America. We will attempt to assess the results of the policies carried out to date, identify the best regulatory practices applied in each sector and identify new problems that may arise in the future. To achieve these objectives, the seminar will feature dialogue between academics from a range of different disciplines, regulators with long experience in the region and companies regulated.

### Programme

#### Thursday 6 March

- 9.30 Inauguration - Presentation**  
Narcís Serra, President of the CIDOB Foundation
- 10.00 Session I: Regulation and markets in public services in Latin America**
- Institutional Designs and Regulation Policies in Latin America**  
Jacint Jordana and Carles Ramió, Pompeu Fabra University  
*Discussant:* Edwin Quintanilla, OSINERGMIN, regulatory body for energy and mining in Peru
- Political, Legal and Institutional Requirements for Effective Infrastructure Reform**  
Roger Noll, Stanford University  
*Discussant:* Jorge Rodríguez Grossi, Universidad Alberto Hurtado, President of the Chile Railway Company
- 11.30 Coffee Break**
- 12.00 Session II: Universal Service as a challenge to the public services market model**
- Oscillating between Public and Private Solutions for Universal Service Provisions**  
Germà Bel, University of Barcelona  
*Discussant:* Alfonso Herranz, University of Barcelona
- The Political Economy of Re-privatization**  
Luigi Manzetti, Southern Methodist University  
*Discussant:* Judith Catherine Clifton, University of Cantabria

13.30 Lunch

15.00 Session III: Universal Service regulation models (I)

Water Utility Performance in Central America: the Political Economy of Coverage, Quality and Cost

**Sanford Berg**, University of Florida

*Discussant: Cristian Stapper*, Regulator of the water sector, Colombia

Universal Service Obligations in the Postal Sector

**Paul Kleindorfer**, University of Pennsylvania and INSEAD

*Discussant: Helmut Dietl*, University of Zürich

16.30 Coffee Break

17.00 Session IV: Universal Service regulation models (II)

Internet Connections in Latin America: a New Challenge for Regulation and Social Policy

**Andres Gomez-Lobo**, University of Chile

*Discussant: Iñigo Herguera*, Comisión del Mercado de las Telecomunicaciones

Universal Access Goals and Obligations in the Telecommunications Sector: The Latin American Experience

**Peter A. Stern**, International adviser on telecommunications

*Discussant: Carlos Macián*, Pompeu Fabra University

18.30 Closing remarks of the first day

**Reinaldo Rodríguez**, President of the Commission of the Telecommunications Market (CMT)

Friday 7 March

10.00 Session V: New theoretical perspectives on Universal Service

Universal Service Obligations in Network Industries: An Economic Perspective

**Helmut Cremer**, University of Toulouse

*Discussant: Diego Rodríguez*, Complutense University of Madrid

Franchise Bidding for Universal Service Subsidies

**Joan Calzada**, University of Barcelona

*Discussant: Gerard Llobet*, Center for Monetary and Financial Studies

11.30 Coffee Break

12.00 Session VI: Instruments of regulatory policy for Universal Service

Policies of Interconnection and Institutional Development: the Challenge of the Sustainability of Rural Telecommunications in Peru

**José Távora**, Pontificia Universidad of Peru

*Discussant: David Sancho*, Pompeu Fabra University

Subsidies and the Reform of Energy Markets

**Catherine Waddams**, University of East Anglia

*Discussant: Laura Fernández*, University of Barcelona

13.30 Lunch

15.00 Round table: Experiences of Universal Service in Latin America

Chair: Anton Costas, University of Barcelona

Edwin Quintanilla, OSINERGMIN, regulatory body for energy and mining in Peru

Marcelo Castillo, International Endesa

Cristian Stapper, Regulator of the water sector, Colombia

Jorge Rodríguez Grossi, Universidad Alberto Hurtado, President of the Chile Railway Company

17.30 Results and challenges of the model of public service supply market

Anton Costas, University of Barcelona

18.00 Closing remarks

María Teresa Costa, President of the National Energy Commission (CNE)

**Organised by:**  
Latin America Programme, CIDOB Foundation

**Place:**  
Maragall Hall, CIDOB Foundation.  
C/ Elisabets, 12. 08001 Barcelona

**Coordinated by:**  
**Antón Costas**  
University of Barcelona and PPRE-IREA

**Jacint Jordana**  
Pompeu Fabra University and IBEI I

**Joan Calzada**  
University of Barcelona and PPRE-IREA