

Building the Future of M2M in Asia

Successful Regulation and Industry Partnerships

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Connected Living Workshop
Mobile Asia Expo 2014



Role Of The GSMA



WE ARE THE GLOBAL INDUSTRY VOICE SHAPING THE FUTURE OF MOBILE

INDUSTRY FORUM

Enabling industry collaboration and consensus

POLICY ADVOCATE

Promoting policies that foster growth and investment

MARKET THINK TANK

Delivering insight and analysis from global industry data

BUSINESS CATALYST

Serving the global mobile ecosystem through events such as Mobile World Congress and Mobile Asia Expo

DIGITAL FUTUREScape



PERSONAL DATA

Become the secure guardians
of consumer data



INTERNET OF THINGS

Connect the digital
and physical worlds



DIGITAL COMMERCE

Enable & build the digital
commerce ecosystem



NETWORK 2020

Create the network for
secure, smart and seamless
services

REGULATION

DIGITAL EMPOWERMENT

Connecting Everything and Impacting Lives



INTERNET OF THINGS

Connect the digital
and physical worlds

**2 hours a week
for every
commuter**



Time saved commuting
by reducing traffic congestion

China



India



**Power to 10
million homes**

47 billion kilowatt-hours saved by
reducing power theft and improving
usage efficiency



**10 billion USD
saved annually**



Equivalent to the healthcare
costs of a million senior citizens

Japan



South Korea



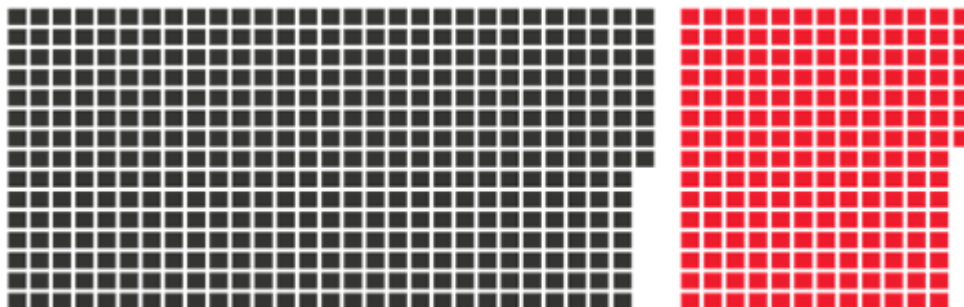
**8,000 to
12,000 USD**

Potential savings in after-school private
education over a student's lifetime



Source: Connected Life: The next five years in Asia, PWC, Q2 2013

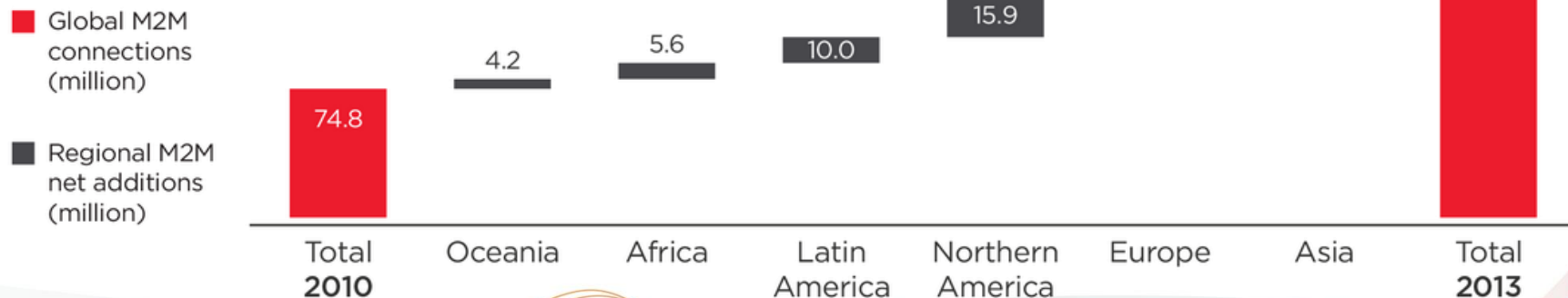
M2M Plays a Major Role



428 operators have launched M2M services in 187 countries
January 2014

The fastest growing region worldwide was Asia with a 55% CAGR between 2010-13, followed by Latin America (44%) and Africa (41%).

China alone added almost 42 million M2M connections during the period.
In North America, almost one in every ten connections is M2M



Source: GSMA Intelligence, Q1 2014

But, There Are Regulatory Challenges ...



Key Regulatory Challenges

Taxation Policy

Cross-Sector Collaboration

Security and Privacy

Roaming

Cloud Computing

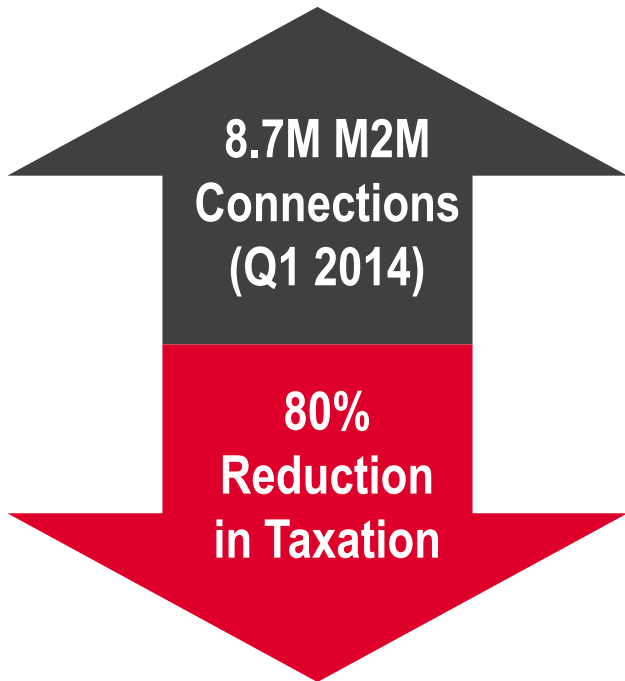
Education

Healthcare

Automotive

Selected Verticals

Taxation Policy: M2M Tax Break in Brazil



- In May 2014, the Government of Brazil began the implementation of a law that provides a tax break for M2M devices
- The Government expects the tax break will help the volume of M2M connections to grow to 23.3M by 2017

Source: GSMA Intelligence, 2014

Cross Sector Collaboration: mEducation in the Philippines



Goal: Returning 1M out of school youths to some form of education by 2014, and 5M by 2016



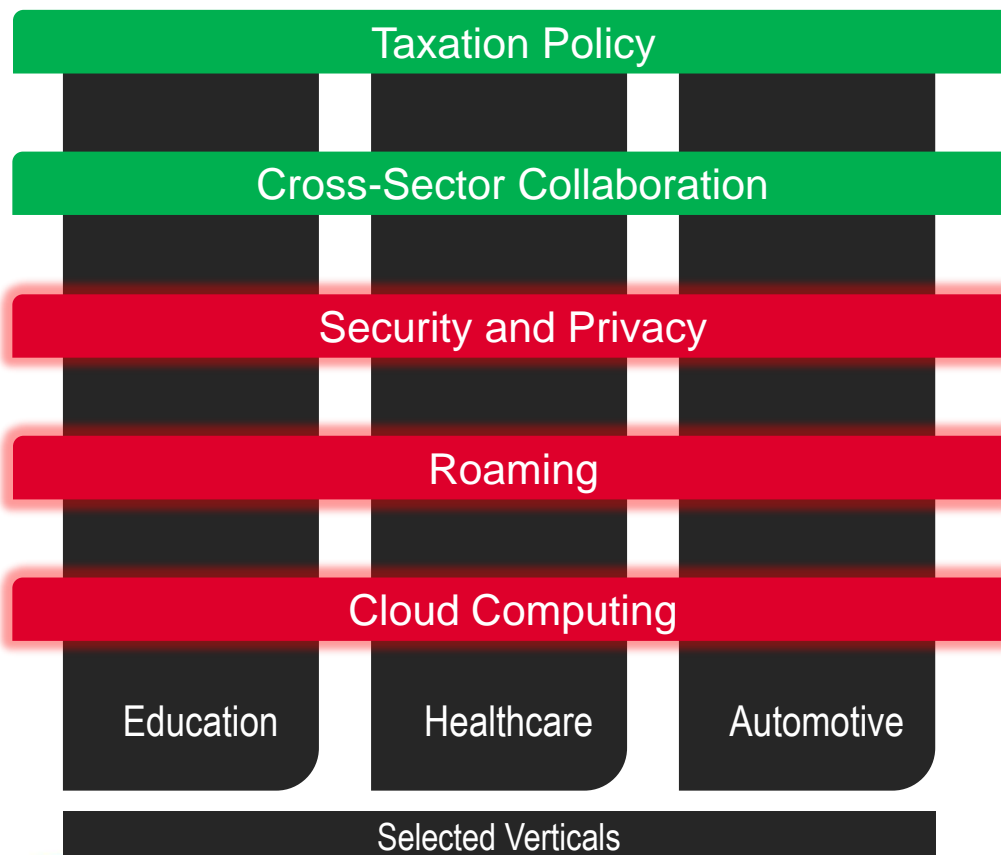
Globe



We Have Made Some Progress ...



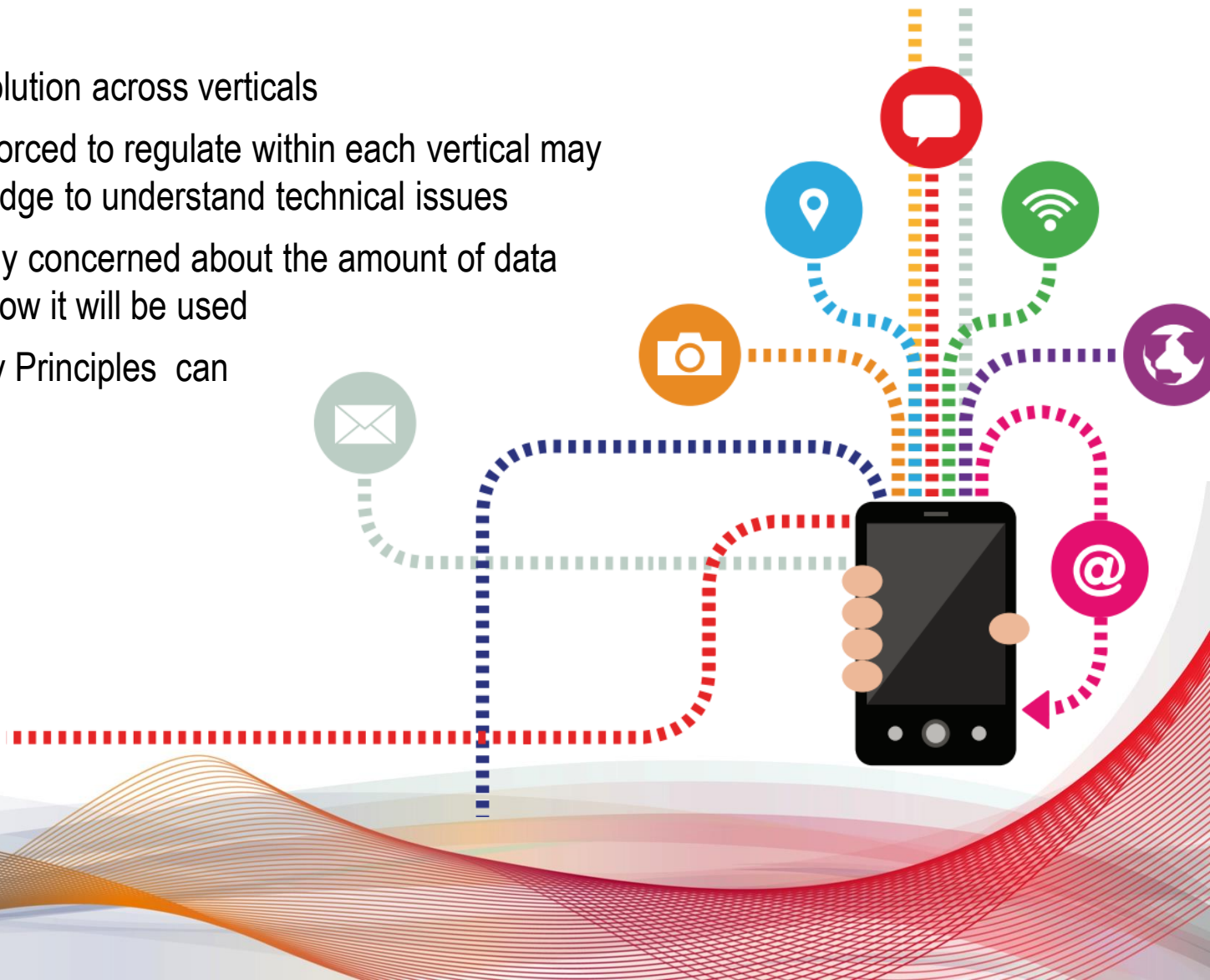
Key Regulatory Challenges



Security and Privacy Concerns



- No one-size-fits-all solution across verticals
- Government agents forced to regulate within each vertical may lack expertise/knowledge to understand technical issues
- Consumers are deeply concerned about the amount of data being collected and how it will be used
- GSMA Mobile Privacy Principles can provide a guideline



Roaming as a Barrier to Growth



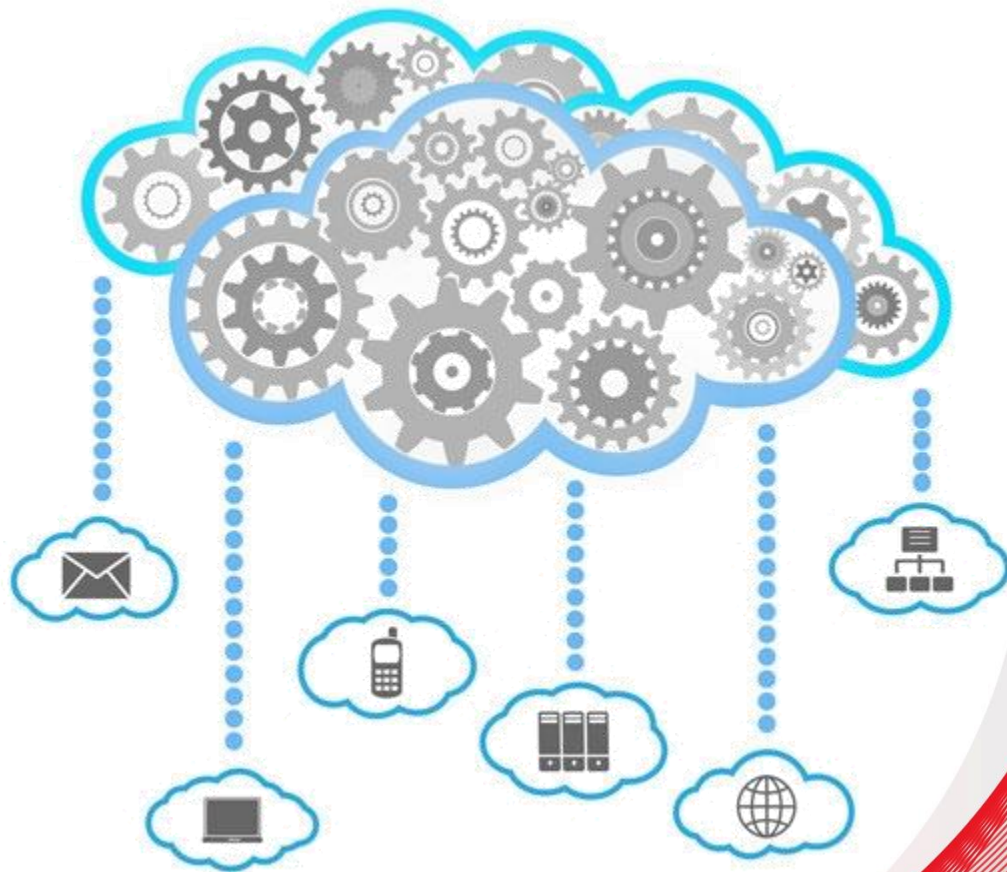
- Few global partnerships exist to facilitate M2M roaming and lack of defined billing models in this sphere
- Different data and network requirements for various verticals
- Issues with interoperability related to SIM authentication
- Opportunity for wider collaboration amongst the wider ecosystem to address the various challenges



M2M Cloud Computing Complexities



- Overlapping national jurisdictions related to cloud server data storage and access
- Security, privacy and transparency issues
- Increasing government scepticism about integrity of the cloud
- User management system that controls access to personal data
- Opportunity to shape a more positive regulatory environment that will encourage innovation and growth of the M2M industry



We Must Work Collaboratively to Achieve Success



Define a
Framework

Demonstrate Validity of
Framework Across Verticals

Offer
Incentives to
Businesses

Evidence Economic Benefits
of M2M Growth

Engage
Government
Strategically

Help Policymakers
Understand Cross-Sector
Regulation

THANK YOU

