Policy and Regulation for the Internet of Things

GSMA Industry Position

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Governments will realise significant social and economic benefits through the growth of IoT services by ensuring policies and regulations are relevant, flexible, balanced and technology neutral.

Governments should ensure that a pro-investment environment is established and maintained across the IoT value chain. In order to reach global scale across consistent and reliable platforms, service providers and IoT device manufacturers need a flexible regulatory approach, as well as technical and commercial flexibility.

Governments and regulators should recognise that the IoT is a nascent industry and its value chain; its business models, markets and services, are fundamentally different from traditional voice and messaging.

In most cases, IoT services have a closed user group, whereby open internet or any-to-any voice communications are not the primary purpose of the service. In addition, customers are generally not the service end-user, but a business that requires global distribution coverage and managed platforms for economic viability and the provision of consistent global services. Finally, these services are characterised by a significantly lower average revenue per connection than traditional voice and messaging.

The IoT ecosystem and its value chain are composed of a large number of diverse players. Governments and regulators should ensure a policy framework based on fair regulation of equivalent services and that is technology neutral.

Regulation should avoid technology restrictions, while relying on competition. Excessive or technology biased regulation can stifle innovation, raise costs, limit investment and harm consumer welfare