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## Motivation letter for ICANN ATRT 2

My personal interest in telecom goes back almost a decade, when Costa Rica started the discussion of telecom de-regulation based on the 2004 free trade agreement with the US and other regional partners. In late 2008, after the first referendum in the Country to approve the agreement, I was ratified by Costa Rica's parliament as a board member of the newly created regulatory agency SUTEL, which I presently chair. By years' end the chair will rotate to one of my colleagues giving me more time and flexibility for the calendar year 2013.

My motivation derives from the fact that ICANNs' accountability and transparency processes have to be analyzed carefully considering its particular position within the fast evolving internet ecosystem. I think that ICANN effectively fulfills a key role in the middle between the need for a healthy development of the internet for the general welfare on the one side, and the relevant downstream, mostly private, actors that are the key drivers of innovation on the other. Hardly anybody questions that the positive implications of the Internet and Governments role in caring for privacy, security and trademark issues. But on the private side of the equation there is a far more complex picture: for-profit network operators subject to more or less regulation within their own jurisdictions, which are mostly in competition with each other for scarce investment capital and clients. Registries and Registrars thrive under almost no regulation, but under varied operational motives. And all depend on the last part of the chain: over-the-top service provider's fine tuning their specific content offer to the final clients. ICANN represents a core function in this complex ecosystem, and its transparency and accountability is crucial to everybody. These imperatives, however, cannot be automatically extended to all considerations up and down the value chain, because it may backfire and in the end hinder innovation. Another important fact to consider in the ICANN framework is that in many areas of the world, like in Central America and the Caribbean, we suffer from bottlenecks other than addressing resources in terms of broadband access, as we lie in the periphery of the main traffic patterns. High prices in international backbone services, lack of last-mile infrastructure and the fact that we tend to be purely consumers and less content providers is our daily reality. Eventual impact of ICANN policies under those infrastructure conditions have also to be considered by the review team.

I bring to the second review team not only the necessary analytical skills but also a solid background in the private sector, which traditionally requires not only financial transparency to the shareholders, but also faces increasing public governance conditions like work safety, environmental responsibility, antitrust, data security, etc.. My interest to participate is based on my long professional experience in the interface between the public interest and the profit motive of business models, which dates well before my more entry into the world of Telecom Regulation and Internet Governance as the attached CV will explain. So while I am well aware that there is rich technical and public sector expertise from the different constituencies and more influential countries, I want to present my application primarily as independent expert with specific private sector and peripheral countries experience, without excluding the possibility to gain support from the GAC.

Kind regards  
Carlos Raúl Gutiérrez

Carlos Raúl Gutiérrez G.

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## **1. Wide multi-cultural personal experience**

I was born in Costa Rica in 1959, and graduated from the local German school in 1975. Before graduating I spent six months at a public High School in Palo Alto, California. My university studies brought me in 1976 to Germany. After my economics degree at the Hamburg University in 1983, I did internships in German financial institutions for 12 months. From 1984 on I worked three years with the Government of Costa Rica, promoting exports and FDI with a lot of travel to US and Europe, and in 1986 we moved for three years in Boston for graduate studies. I moved with my family to Switzerland in 1989 and we lived in Zurich and Geneva, again with substantial international travel to Latin America. Initially through a corporate job, I worked from 1992 to 2000 in Venezuela, the Caribbean and US regions. In 1995 we moved the whole family to Venezuela and stayed there well after leaving the corporation that brought us there. Between 2000 and 2008 I did independent consulting work in Central America and the Caribbean. I was ratified by Costa Rica's parliament as a board member of the newly created regulatory agency SUTEL, which I presently chair. By this years' end the chair will rotate to one of my colleagues and my term ends in January 2014.

For 30 years I have enjoyed great support from my Swiss, French-speaking wife. We have lived in Costa Rica, the US, Switzerland and Venezuela. Only our first child was born in Costa Rica and moved to the US at 3 months of age. Since 2005 we have been living in Costa Rica again and so far three of our children have finished their baccalaureate in the local French High School. One already works in Lyon, France and the second one is studying in Geneva and the third started her studies at the Universidad de Costa Rica this year. We speak Spanish, German and French at home and I have good command of English as well.

## **2. Multi-disciplinary and continuous intellectual development**

Economics Master Degree, Germany. Numbers have always fascinated me. So when the opportunity to study in Germany came up the choice of Economics was rather obvious. After my Vor-diplom (Bachelor) in Bonn, I moved to Hamburg in the search of more emerging country oriented Development Economics. I graduated from the University of Hamburg in February 1983. After a summer internship at the IMF, public finance became my primary interest for my master degree later in the US. In 1986 I joined a two year program for a Master's degree in Public Administration from Harvard's Kennedy School of Government (2 year program). In the summer of 1987 I spent three months at an US electric public utility struggling with investment decisions on atomic power generation. Although I had two more years of scholarship to pursue PhD studies, in 1989 life took a different turn when our second child was announced.

The next stage in my intellectual development into natural resource management after 2000 was basically self-taught, while collaborating with consultants from other fields as I started to consult for CO2 reduction, as well as land use change and forestry projects. It allowed me to move away from a purely financial view of all economic issues, to the environmental perspective and more specifically natural resource economic and the physical limitations we face in most growth processes (thermodynamics).

Finally, late in 2008 I started my full immersion into the regulatory world of Information and Communications Technologies, one of the most complex and fast developing interactions between business, regulation, politics and technology I can imagine. Costa Rica arrived very late into the opening of telecoms markets. But to my great advantage, it started exactly at the stage of the pervasive combination of widening Broadband Internet Access and Wireless Data Communications. The greatest challenge for me was to grasp the importance of radio electric spectrum for modern communications, and how bad it had been managed in Costa Rica. Apart from the first successful public auction ever in the country that we finally pushed through in 2011, during 2012 I have spent most of my time dealing with legal and economic questions of spectrum re-farming and allocation.

### 3. Professional experience

**Consulting experience.** Even before I graduate from Harvard (Master in Public Administration 1988) I had been traveling the US and internationally doing consulting work in Public Finance, Energy and Environmental issues with different academics. So what I first learned at Harvard was about the consulting business or as we simply called it at the time “problem solving”. 1989 I moved into corporate consulting (McKinsey & Co., Swiss branch), and two years later into one of our clients who had major activities throughout Latin America, HOLCIM.

From 2000 on after leaving HOLCIM, I worked eight years as independent consultant for industry and public agencies on CO2 emission reduction policies and projects, initially with great support from HOLCIM. But the (centrally UN-planned and UN-designed) international greenhouse emissions market never took off. I also founded with friends in various countries an ONG to look at the consumer side of climate change, called at the time “adaptation”, but competition for funds against long established “wildlife” NOGs was hard, as they moved into “corporate greenwashing”. I consider my work over those as highly creative and productive, not only in solutions for my clients. I also started a children book publisher company with a graphic designer in Venezuela that still thrives in that county. I also had my part in real estate development in Costa Rica, advising large corporate coastal development projects on land use change and their related environmental permitting with municipal and national authorities, until the real estate bubble along Costa Rica’s pacific coast blew in 2008.

**Managerial experience.** Back to my training in environmental and energy issues through 3 different Institutes or Departments at Harvard, as well as a US based Public Utility, I was involved later at McKinsey and HOLCIM with the issues than come with extractive and energy intense processes and their environmental impacts, workers health and safety and other competition and international commerce issues, like dumping and others. The whole 1990s decade I was involved in the trading and maritime logistics arm of HOLCIM, both in Switzerland and Venezuela, which was one of the most export oriented operations of the Company In terms of managerial experience after 1995 I had to manage the merger of another, highly leveraged, cement company in Venezuela, initial as a 50/50 joint venture, and later as a full merger under Swiss control and then go out later and buy other operations across the small markets of the Caribbean, operating in 3 languages and at least 10 countries in less than a three hour flight radius.

In January 2009 we started the regulatory agency with 12 staff from the Public utility regulators and 5 staff from the National Radio (Spectrum) Office. In January 2012 when I took the Chair of SUITEL we had grown to about 50 staff and this year we finalized the full management structure with 4 Divisions and the headcount is presently at 90.

**Public sector responsibilities.** During my two opportunities in Costa Rica’s public sector, I had the chance to be directly involved with the design of new institutions due to new challenges. In the middle in the first debt crisis in 1983 the Government had to develop new policies for the

promotion of FDI non-traditional exports. Initially a project office was created in which I joined with the first group of professionals that ever had that focus. This entity was later formalized into the Foreign Trade Ministry, one of the most dynamic ones over the years.

Again in 2008 as part of the Free trade Agreement with the USA, after a long decade of domestic discussion and the first public referendum in our history, Costa Rica decided to open up the Telecommunications market to competition and private investment, while avoiding the privatization of the state owned operator. A new regulatory agency had to be created, and in December 2008 our parliament ratified my nomination to join the first board (three full time members) of the new agency. Even before new wireless operators started operations, the agency (SUTEL) opened the international access to local ISPs and prices have been becoming more and more competitive since 2010. 2011 we held the first spectrum auction ever in Costa Rica and late that year two new wireless mobile operators started competing with the state owned telecommunication (cum electricity) operator. 4 years after the startup of our agency I have had the opportunity to gain deep understanding of the industrial structure and social relevance of those networks, their fast evolving wholesale and retail business models and their governance challenges. And competition between private actors and the national telecom operator has had a great impact in reducing prices and benefiting more and more final users.

From my present position as chair of our national telecom regulatory agency I have been able to follow the fast paced development (or “consumerization”) of ubiquitous access to information services provided through the INTERNET for the wide public. In 2010 I founded together with friend the local chapter of the Internet Society in Costa Rica (ISOC). 2011 I met with Rodrigo de la Parra in our first INET day and started to become more interested in ICANNs activities. In preparation for ICANN43 in San Jose, I was designated Costa Rica representative to the GAC and a full new stage of personal development started with a great group of Governments representatives of very different backgrounds and views. But I believe the experience that would be my greater contribution to the ATRT 2 is my long term professional interaction between public and business sectors over the years,

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