



INTERNATIONAL TELECOMMUNICATION UNION

**TELECOMMUNICATION
DEVELOPMENT BUREAU
ITU-D STUDY GROUPS**

**Document 1/029-E
8 September 1998
Original: English**

FIRST MEETING OF STUDY GROUP 1: GENEVA, 10 - 12 SEPTEMBER 1998
FIRST MEETING OF STUDY GROUP 2: GENEVA, 7 - 9 SEPTEMBER 1998

Question All:

STUDY GROUP 1

SOURCE: VICE-CHAIRMAN OF STUDY GROUP 1

TITLE: ALLOCATION OF QUESTIONS

For the development of a modern telecommunications infrastructure it is no longer sufficient to consider technical parameters only. Political and regulatory frameworks are also crucial for its development. Hence it is only logical for ITU-D Study Group 1 to look into these issues while the other Study Group deals mainly with issues of a technical nature.

Telecommunications policy in the changing environment

Like hardly any other field of economic activity, telecommunications in many countries of the world is witnessing sweeping changes in a process of regulatory reorientation. While from its early days until modern times telecommunications used to be mainly dominated by sovereign considerations, trends on the international telecommunications markets are now making it necessary for the traditional telecommunications administrations to develop into efficient service enterprises operating flexibly in the market.

Until the eighties demand for telecommunications services could be met with relatively simple and uniform basic services (mainly telephone service). Increasingly sophisticated economic processes for which information as a productive factor is constantly gaining in importance require diverse, innovative and cost effective communications services. For today's information society the efficiency of the telecommunications infrastructure is of crucial importance to a country's integration in international competition to attract business.

Developments in telecommunications, rapid technical innovation and the resulting understanding that competition may be more effective for economic and infrastructure objectives than structures determined by monopolies are the driving forces for regulatory reorientation.

Many countries will have to adapt their institutional structures and regulation in line with the changing environment to benefit from the technological innovation mentioned above and ensure the necessary development of their telecommunication infrastructure to meet social and economic needs, and in particular business customers' requirements.

For the definition of their own telecommunication policies and regulatory frameworks, developing countries should benefit from the experience gained in this field by other countries.

Investments in Developing Countries

A World Bank study argues that large flows of private capital to the developing countries are sustainable because more than 40 per cent of the private flows take the form of foreign direct investment. But private capital is concentrated on a handful of mostly middle-income countries in Asia and Latin America. Among low-income countries, only India and, above all the People's Republic of China have succeeded in attracting significant amounts of private money. Other low income countries, especially those in sub-Saharan Africa, remain heavily dependent on government loans and grants.

Allocation of study questions

In Valletta the WTDC-98 defined 10 new Questions for the ITU-D Study Group 1 to deal with in the 1998-2002 period.

Taking due regard of Resolution PLEN-3 - Establishment of Study Groups - (WTDC-98, Valletta) the necessity arises to establish appropriate groups for the organization of work in Study Group 1. According to Resolution PLEN-2 - Procedures to be applied by Study Groups - (WTDC-98, Valletta) the Study Groups shall meet in principle at least once a year. Therefore the hierarchy level of Working Parties can be eliminated and the rapporteurs or groups proposed later can report directly to the Study Group. This would streamline the work and allocate more time for fruitful discussion of each Question in the respective group that will have to deal with the Question. One should take into account that time constraints also call for a streamlined organization of the work within the Study Group. A meeting of the Study Group once a year will ensure that the intermediate results of the work is permanently revised and corrective measures can be taken immediately if the need arises.

With at least 10 Questions allocated to this Study Group the need may arise to join in parallel session. Thus, the elimination of Working Parties involved will allow for minimizing the number of parallel sessions. Further, the initial allocation of the Questions is a demand-driven exercise subject to the availability of volunteers for rapporteurship and the Study Group may rethink the issue during the next 4 years.

The Questions should be allocated as follows:

Question 6/1, Question 7/1 and Question 8/1 are follow-up activities arising from Question 2/1 of the previous study period. They are closely linked to Question 9/1, a follow-up of Question 3/1 from the previous study period. There was a request at the Valletta Conference to entrust Question 6/1 to a focus group in order to achieve results as soon as possible. However, the broad issue of interconnection seems to call for the need to deal with Question 6/1 under the traditional Study Group approach. These 4 Questions should be dealt with in a Rapporteurs Group each, because a single Rapporteur will hardly be in the position to achieve the expected output. Various liaison statements are expected from ITU-D Study Group 2 on policy and regulatory issues related to the communication for rural and remote areas.

Here those ITU members who are also policy makers and regulators, will be given the opportunity to contribute their experience for the developing countries' benefit. Recommendation 4 -Liberalization and competitive business environment- (WTDC-98, Valletta) and the Study Group Recommendations of the previous period sets out the guidelines of a balanced telecommunications policy.

Since these Questions are complementary and complex a vice-chairman should be entrusted to coordinate the work of the rapporteurs groups.

Question 11/1 and Question 12/1 are of great relevance to developing countries in particular but as far as Question 12/1 is concerned there is also an ongoing discussion in industrialized countries. The output of Question 11/1, however, can be meaningful only if the participation of international and, private funding organizations were ensured. The output of Question 12/1 is complementary to the work already in progress in ITU-T Study Group 3. There is a linkage to BDT's activities in fulfillment of Resolution 12 - Telecommunication financing and trade - and Resolution 13 - Resource mobilization and partnership for accelerating telecommunication development -, as well as Resolution 6 - Subgroup of TDAB dealing with Private Sector Issues - (WTDC-98, Valletta).

The two Questions should be dealt by a Rapporteur each, assisted by Associate Rapporteurs and active collaborators.

A Vice-Chairman should be entrusted to co-ordinate the work and liaise to ITU-T Study Group 3 as well as to BDT's activities as mentioned above.

Question 10/1 and Question 13/1 are to some extent interrelated. Active participation from others than telecommunications entities (such as UNESCO, broadcasters, content-provider, Internet service provider, etc.) is needed to achieve a meaningful and well balanced output. Additional tasks closely related to these Questions are expected to be transferred from ITU-D Study Group 2. It is recommended to incorporate these additional aspects into the existing Questions rather than defining a new Question. The Question 10/1 should be dealt by a Rapporteur, assisted by Associate Rapporteurs and active collaborators where appropriate, whereas Question 13/1 should be dealt with in a Rapporteurs Group.

Again a Vice-Chairman should coordinate the work.

The report on question 14/1 should convince the policy makers of the importance of telecommunications. This question entails a consolidated examination on the basis of existing studies and information as well as incorporation of 'new' ideas arising from contributions to the Study Group related to this issue. Further, there is a linkage to Recommendation 5 - Role of telecommunications in economic, social and cultural development of indigenous people - (WTDC-98, Valletta).

Question 15/1 should lead to a study being drawn up in close cooperation with ITU-R and ITU-T and other organizations concerned (such as UNIDO) and the telecommunications industry. The issue is very sensitive. There is a linkage to BDT's activities in fulfillment of Resolution 15 - Applied research and transfer of technology - as well as to Recommendation 3 - Application of information and communication technologies for development - and Recommendation 6 - Information infrastructure - (WTDC-98, Valletta).

The two Questions had been dealt with during the past period under slightly different headings, however there was a lack of active participation by Member States and Sector Members and a lack of contributions related to these issues.

Although the Conference decided to handle these issues under the classical study group approach, in the light of the above the Chairman supported by a Vice-Chairman and the BDT secretariat should

investigate whether the expected results can be achieved under this approach and consequently propose any changes which are appropriate to TDAB for approval. Under the classical approach these Questions should be dealt by a Rapporteur each.

Further, there is a need to entrust a vice-chairman to liaise with ITU-D Study Group 2 on a permanent base.
