

INTERNATIONAL TELECOMMUNICATION UNION

*Telecommunication
Development Bureau*



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Subject: **ITU-D Question 12-2/1: Call for Case Studies – Tariff policies, tariff models and methods of determining the cost of services on national telecommunication networks, including next-generation networks.**

TO ADMINISTRATIONS OF THE FOLLOWING MEMBER STATES:

**AUSTRALIA, AUSTRIA, BELGIUM, CANADA, DENMARK, FINLAND, FRANCE,
GERMANY, GREECE, ICELAND, IRELAND, ISRAEL, ITALY, JAPAN,
REPUBLIC OF KOREA, LUXEMBURG, MALTA, NETHERLANDS, NEW ZEALAND,
NORWAY, PORTUGAL, SAUDI ARABIA, SINGAPORE, SLOVENIA, SPAIN, SWEDEN,
SWITZERLAND, UNITED KINGDOM, UNITED STATES**

Dear Sir/Madam,

During the Rapporteur's Group Meeting on Question 12-2/1 convened on 22 and 23 May 2007 in Geneva, it was agreed that detailed case studies on successful practices and experiences – even if still in development - for Tariff policies, tariff models and methods of determining the cost of services on national telecommunication networks, including next-generation networks should be collected to fulfil the mandate of the Question 12-2/1 set by the WTDC-06 (Doha, Qatar) http://www.itu.int/ITU-D/study_groups/SGP_2006-2010/documents/Q12-2-1.pdf.

Traditional circuit-switched telecommunication networks are gradually being replaced by networks based on IP technology. The emergence of IP technology has made new applications and service offers possible that overturn the "voice-based" business model hitherto used by operators.

For each operator, the speed of network migration to IP-based next-generation networks depends both on market conditions (demand, competition) and the operator's technical and economic network optimization strategy. Currently, there is a significant difference in the progress made by operators in developed countries and those in developing countries in migration to NGNs and the elaboration of the commercial offering for services on those networks.

Given the challenges that this migration represents for operators, study of Question 12-2/1 is expected to produce a proposed strategic approach for operators in developing countries that

allows income stability to be maintained while giving a new form to the offer of service, combining voice and data.

The case study would appear to offer an ideal means of best taking account of the positive and negative factors involved in migrating to NGNs with a view to achieving the above-mentioned objective.

Objective of study

The objective of the case study is to present the experience of a telecommunication service provider or network operator in establishing new offers of service based on IP networks combining voice and data.

The study will cover, but not exhaustively, all or part of the following:

- plan for network migration to NGNs;
- financial aspects of establishment of IP networks;
- new offers: types of service, packages of services offered, tariff models or methodologies;
- economic impacts: income evolution, cost reduction; investment issues
- legal and regulatory framework for offer of new services (VoIP, IP TV, *et al.*);
- structural change and/or redeployment of human resources.

The prime objective of the case study shall be to produce the clearest possible analysis that provides an understanding of the issue and identifies the main factors generating the results obtained or impacts measured.

Structure of study

The final version of the study should preferably be structured as follows:

- abstract,
- list of acronyms and abbreviations used,
- list of figures and tables,
- main body of study,
- annexes (if any),
- bibliography.

We expect that the case studies will be completed before **31 July 2007**.

We would greatly appreciate your cooperation, and other associated information required for the analysis by the Rapporteur's Group on Question 12-2/1.

I invite you to submit your inputs, along with the above listed Terms of Reference, to the following BDT Secretariat contact:

Counsellor, ITU-D Study Group 1

e-mail: devsg1@itu.int

Fax: +41 22 7305484

I do hope that you will agree to cooperate on this important initiative.

Yours sincerely,

Sami Al-Basheer Al Morshid
Director