

TARIFFS AND ACCOUNTING ISSUES UNDER DISCUSSION IN ITU

By Gunawan Hutagalung, MT

Vice Chairman SGR03AO SG-3 ITU-T

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Abstract :

Tariffs and accounting issues are mandated to SG-3 ITU-T by WTSA Johannesburg 2007 as continuation of previous assembly. The sole group which deals with tariff and charging issues for int'l telecom services under UN as well as a non-technical study group within the ITU-T. Responsible for studies relating to tariff and accounting matters (including costing methodologies) for international telecommunication services and study of related telecommunication economic, accounting and policy issues and foster collaboration among its members with a view to the establishment of rates at levels as low as possible consistent with an efficient service and taking into account the necessity for maintaining independent financial administration of telecommunication on a sound basis. The groups also focuses on broad area of telecommunication services from traditional telephone services to new services incl. NGN;

A key task of Study Group 3 is the complicated job of recommending some principles for the harmonization of global interconnection rates. Interconnection rates are the costs between telecommunication service providers when linking networks for the exchange of traffic. This work has become increasingly complex with the more widespread use of VoIP, and the move to IP based or next generation networks (NGN). More recently SG3 has surveyed international mobile termination rates, with a view to determining whether there are differences by region and, if possible, what might be causing those differences. SG3's aim is to keep rates fair, and as low as possible without compromising service. Interconnection rates are a key concern for our members and in particular for the developing world.

The assembly also maintain the structure of the SG03 will have 3 working parties, 6 regional groups, Rapporteur Group on Terms and Definitions dealing with tariff and accounting principles and Ad-hoc Group on developing country issues. Discussion on each working parties will focus on Mobile communications, "IP Telephony", IIC, Traffic Flow Multifactors and Internet Traffic Flow Methodology, NGN, Accounting and settlement based on IPDR, enhanced signaling), Mobile/Fixed Termination Rate, Flat rate for mobile/fixed, Accounting/Settlement rates for fixed, Alternative accounting procedures, Mobile roaming, Tariff issues for cross-border, Policy and economic issues, Network

externalities, Universal service obligations, Impact of the choice of accounting rate currency, Impact of convergence of services, ITRs and etc.

Contribution topics expected for the next meeting are Economic effects of call blocking on developing countries (Resolution 61), How to expedite its work on international connectivity, to collect data with respect to the implementation and practical effects of relevant resolutions and Recommendations (Resolution 62), Allocation and economic aspects of IP addresses (Resolution 64), Economics of cybersecurity (especially regarding items 17-21 of TD17(Plen/3)), Impact of the growing scarcity of IPv4 addresses on settlement rates for voice traffic over IP networks at the wholesale level, termination rates for IP telephony, IIC, NGN, IP Telephony Rapporteur group's objectives, deliverables, work plan, timeline, Ways and means to reduce the cost of IIC, TFMF issues (in need of traffic flow data offering from membership), Dispute process standardization, dispute management guidelines, Efficiency of bill and keep in relation to billing for call termination and Experiences in transitioning to IPv6.

One of the regional group on SG03-ITU-T is Regional group Asia Oceania. As a regional group, SGR03AO is needed to ensure the benefits for operators/countries in the regions. In order the needs SGR03AO conduct study on TAS Cost Model Enhancement from cost orientated to LRIC approach for TAS group cost elements for inward IDD services and Apportionment methodology for an incoming IDD telephone traffic cost model. SG03RG also conduct survey (questionnaire) on the Tariff situation in the countries of Asia and Oceania (accounting rate, transit etc). Seminar on Tariff and accounting principles including related telecommunication economic and policy issues will conduct before SG03RG AO meeting (Coordinate by BDT).