"Partnership for strengthening a sustainable public telecom service"

1. Introduction:

The information society has numerous facets: it is necessary to take into account their legal, political, economic, cultural and social aspects. Consequently, multi-stakeholder involvement is a key to find practical solutions. Only a global conference of the breadth of the WSIS can ensure that these aspects are taken into consideration.

On the occasion of WSIS-03, the needs of people and those steps which make it possible to satisfy them (a "**human-centred approach"**) should be at the heart of the debate. To this end, the **needs of the most disadvantaged and underprivileged** must be discussed as a priority. It is essential to ensure, in the North and in the South, that all population groups can participate in social, political, cultural and economic activities.

In this document, the concept of Universal Access is to be understood as community service access to public telecom networks, in contrast to the Universal Service concept which is considered as an individual service access.

The design, the adoption and the implementation of any Universal Access (as well as Universal Service) policy including an appropriate financing mechanism, requires beforehand

- market sector and telecom regulatory reforms;
- transparent and stable rules to open the market for competition;
- the establishment of an independent regulatory body;
- targeted pro poor policies as far as the competitive market does not ensure the Universal Access and its effective use.

Tools to implement Universal Access combine, therefore, regulatory, economic and technical instruments. What is absolutely needed to make the Universal Access deployment a reality is therefore a strong national political will.

2. Switzerland's commitment

In order to allow everyone to take part in the information society, **Switzerland is committing itself**, in view of the Summit, **to a partnership with all like-minded stakeholders to strengthen the public telecom service.**

By public telecom service, we mean **universal access to public telecom networks providing community connectivity at an affordable price**. The public telecom service therefore includes services which pursue goals defined at the political level and which are considered as desirable and judicious by the population concerned. We consider these services public goods. Therefore, the creation and distribution of these assets cannot be left to the market alone. The public telecom service must be organised by the government in collaboration with civil society and the private sector.

Switzerland proposes to set as an objective to achieve a sustainable public telecom service with Universal Access deployment with the aim to contribute to poverty reduction.

Proposal for a sustainable public telecom service

As a matter of principle, effectiveness and efficiency of the market should not be hampered in a free and open society, and the communications market is no exception. However, the market alone will not ensure universal access. It is therefore essential to complement market results by a number of corrections in favour of disadvantaged regions. On the one hand, operators should act as freely as possible on the basis of a telecommunications licence or a radio/TV licence, on the other hand, part of their licence fee should be used **to finance the basic public telecom service or to reduce the cost gap for basic services that will occur in an open market (rural and urban regions)**.

Access to the information network should be extended to the entire country, with communication centres in villages and disadvantaged inner-city areas at affordable prices. In order to reduce costs, such communication centres should be combined with already existing village infrastructure (health centre, post office, community centre, etc.). The provision of universal access should be organised along the needs of the population concerned. This principle of basic coverage is well established in the telecommunication legislation of must European countries (EU, Norway, and Switzerland [1], ..).

Special attention should be paid to training in the use of these new tools of the information society, and this also implies know-how relating to the maintenance of the equipment.

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[1] *It is not, however, applied by all the countries of Western Europe, since the latter have well developed infrastructures.*

To do this, **it is essential to act jointly:** the government adopts an appropriate law that serves as a **legal basis for the public telecom service obligation**. The representatives of civil society (NGOs) contribute to defining needs as well as the provision of a potential support; the private sector on the one hand contributes to the fund and on the other hand extends these basic public service installations (networks, computers, telephones, advice services) – in exchange for fair remuneration. Once the laws and government decisions have been adopted, the government, civil society and the private sector (in charge of the basic public service licence) draw up an implementation plan for organising these installations and services.

In this context, where applicable, **the independent national regulatory authorities can play a key role** in monitoring the establishment of this basic public telecom service. Indeed, it is up to each State or government to designate the body that implements this policy (collection of fees, allocation of funds, effecting payments[2]), as well as to monitor and establish the basic public telecom service. This process has to comply with the **rules of transparency and accountability to all involved parties (private sector, government, civil society, potential beneficiaries and general public).** The body in charge of managing this process must ensure that **the rules of competition and fair access to the market are respected** in accordance with international agreements (e.g. the WTO).

It should be noted that at that stage, the ITU-D (the development sector of the International Telecommunications Union) has drawn up **models of national principles for universal service and universal access**, notably the legal rules and national policies in the ICT sphere, the rules of fairness to assure the sources of finance and the principles of transparency in the management and administration of the of the public telecom service. Operational rules and procedures need to be added to these principles and rules to ensure achievement of the goals laid down by the States and governments of the countries concerned.

The deployment of Universal service is subject to national policy. In those disadvantaged countries and regions which do not generate sufficient own revenue to finance uncovered costs of the implementation of the Universal Access principle, international voluntary contributions could be made by international organisations, financing institutions or bilateral donors.

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[2] *Governments and authorities in charge of leading this policy process should be aware to apply the principle of "Pay-or-Play" where the service is profitable to the providers in charge of deploying the Universal Access (and not apply the principle of "Pay and Play").*