

**INTERNATIONAL STANDARDIZATION
TUTORIAL****STUDY PERIOD 2010-2013****English only
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SPECIAL STUDY GROUP G – CONTRIBUTION 8**Source:** Poland (FUNDI ETELEMBONGO Serge)**Title:** Proportional Funding model for all Member States

1. Abstract

Creation of the Global Telecommunication Organization (GTO) to replace ITU raises issues GTO structure, working methods and funding. This proposal studies proportional funding model for all Member States.

2. Issues

Issues identified are as follows:

- Current funding mechanism depends on a voluntary choice for the level of monetary contribution
- Members do not participate in equal amounts
- Members enjoy different levels of economic development
- Approximately 30% of the budget is derived from other sources such as sale of publications, development grants and SM dues, with a MS balance of 70 Million CHF
- Outputs and services of GTO are available equally to all Members

3. Possibilities:

- In consideration of national sovereignty and equal rights of all MSs, all MSs should share equally in support of the estimated 70 Million CHF budget;
- The fairest system is that those who send the most participants should pay a proportionally larger share of the budget, however, others point out that such a system penalizes those who do the most work for the GTO;
- Some other basis for proportional funding instead of number of participants;
- Since telecommunications is being or has been privatized around the world, private sector companies engaged in international telecommunications, regardless of their membership in GTO, should pay a tax which supports the GTO;
- Retain the current voluntary choice system to determine each MS's dues;
- GTO controls allocation of certain international public resources which have been managed for the common, global good, such as spectrum, orbital arc and numbering. Consider charging fees for existing and future allocations.

4. Proposal

- It is proposed to develop appropriate proportional funding mechanism not rates or funding level to encourage members for effective participation from developing and developed countries, and to implement awarding scheme to the contributors, in view of increasing their competitiveness and to support innovation.