

**INTERNATIONAL STANDARDIZATION  
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**STUDY GROUP SPECIAL G – CONTRIBUTION 35****Source:** Burkina Faso**Title:** Proportional Funding Model for all Member States

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**Abstract**

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

**Issues**

Issues related to how to raise the necessary funding to support the GTO include the following:

- The current funding mechanism depends on a voluntary choice by each MS 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 Sector Member (SM) dues, with a MS balance of 70 Million CHF
- Outputs and services of GTO are available equally to all Members

**Reasons for a proportional funding model**

- All countries are not at the same level of development, and there is a two-segment categorization, i.e. developing country and developed country
- The participation level from members varies by member; all do not participate equally
- Members that do not participate actively should be encouraged to increase their participation: this can be assisted by a lower dues structure for some of those members
- Contributions from telecommunication operator SMs offset some revenue requirements
- Participation from vendors using GTO outputs varies by market share of each vendor
- The current system which uses a voluntary choice system has worked well in the past, with more developed countries and those getting more benefits voluntarily choosing to contribute proportionally more dues.

**Proposal**

It is proposed to develop an appropriate proportional funding mechanism instead of a fixed funding level for all in order to encourage members for effective participation from developing and developed countries, and to implement an award scheme to the larger contributors, further stimulating them to increase their benefits, which will lead to greater competitiveness and innovation.