



STRATEGIC PLAN

1995-1999

RESOLUTION COM4/1

Strategic Plan for the Union, 1995-1999

The Plenipotentiary Conference of the International Telecommunication Union (Kyoto, 1994),

considering

- a) the provisions of the Constitution and Convention of the International Telecommunication Union (Geneva, 1992) relating to strategic policies and plans;
- b) Article 19 of the Convention of the International Telecommunication Union (Geneva, 1992) and Resolution 4 of the Additional Plenipotentiary Conference (Geneva, 1992) on the participation of entities and organizations other than administrations in the activities of the Union;
- c) Resolution 5 of the Additional Plenipotentiary Conference (Geneva, 1992) on the management of the Union;
- d) Resolution 15 of the Additional Plenipotentiary Conference (Geneva, 1992) on consideration of the need to establish a forum to discuss strategies and policies in the changing telecommunication environment,

noting

the challenges faced by the Union in achieving its purposes in the changing telecommunication environment, both in the period covered by the strategic plan for the Union for 1995-1999 and in the following period,

taking into account

- a) the decisions of the World Telecommunication Standardization Conference (Helsinki, 1993), the Radiocommunication Assembly and the World Radiocommunication Conference (Geneva, 1993) and the World Telecommunication Development Conference (Buenos Aires, 1994) concerning the work programme of the Sectors;
- b) the decisions of this Conference concerning strategic policy issues including, *inter alia*:
 - i) the creation of a forum for discussion of telecommunication policies and strategies;
 - ii) mechanisms to enhance the participation of non-administration entities and organizations in the activities of the Union immediately, and in the longer term, as set out in Resolutions COM4/2 and COM4/3,

recognizing

- a) the need to facilitate smooth development of telecommunications for maximum social and economic benefit in the future by:
 - promoting a more balanced distribution of telecommunication technology worldwide through non-discriminatory access to modern telecommunication facilities and services and new telecommunication technologies;

- introducing tariff reforms aimed at promoting the rational use of telecommunication networks and the provision of an efficient universal telecommunication service to foster investments, while preparing operators for a more competitive environment, taking into account that tariffs should be cost-orientated and that the geographical characteristics of countries are different;
 - developing a common understanding of the regulation of telecommunications at the national level, while preserving each State's sovereign right to regulate its telecommunications;
- b) the continuing need to improve the efficiency and effectiveness of the Union's working methods;
- c) the need to adapt the ITU's management systems to the operational requirements of the new environment, including its systems for managing financial, human and information resources;
- d) the need for synergy with other world and regional agencies concerned with the advancement of telecommunications,

bearing in mind

the growing demands placed on the activities of the Union, the limited resources available to fund them and the consequent need to establish priorities among the Union's activities,

resolves

to adopt the strategic plan for 1995-1999, as annexed to this Resolution, based on the following principles:

1. the goal of the strategic plan is to establish the Union as the international focal point for all matters relating to telecommunications in the global information economy and society of the twenty-first century;
2. this goal is pursued through the Union's mission in the following three domains:
 - 2.1 a technical domain - to promote the development, efficient operation, usefulness and general availability of telecommunication facilities and services;
 - 2.2 a development domain - to promote the development of telecommunications in developing countries and the extension of the benefits of telecommunications to people everywhere;
 - 2.3 a policy domain - to promote the adoption of a broader approach to telecommunication issues in the global information economy and society;
3. the overall strategies for the Union for 1995-1999 are:
 - 3.1 to strengthen the foundations of the Union by:
 - i) enhancing participation by non-administration entities and organizations, and seeking their views and contributions on:
 - the best approaches to the opportunities and challenges for telecommunication development; and
 - ways and means to enhance their satisfaction with ITU products and services;
 - ii) increasing synergy between the activities of the Sectors of the Union;

3.2 to broaden the Union's activities by:

- creating a forum for discussion of telecommunication policies and strategies see Resolution COM4/4;
- utilizing ITU resources and information systems more effectively;

3.3 to increase the Union's leverage in international affairs by:

- establishing strategic alliances with other concerned international and regional organizations;
- communicating more effectively with the public,

instructs the Secretary-General

1. to present detailed plans for implementing the strategic plan for 1995-1999 in his annual reports to Council, including recommendations to adjust the plan in light of changes in the telecommunication environment, decisions by conferences of the Sectors and changes in the Union's activities and its financial situation;

2. to distribute his report to all Members of the Union, after its consideration by Council, urging them to circulate it to their members participating in the work of the Sectors of the Union, as well as to those members referred to in No. 235 of the Convention (Geneva, 1992) which have contributed to the study,

instructs the Council

1. to oversee further development and implementation of the strategic plan for 1995-1999 in annex hereto, on the basis of the annual reports by the Secretary-General;

2. to present an assessment of the results of the strategic plan for 1995-1999 to the next Plenipotentiary Conference, along with a proposed strategic plan for the period 2000-2003,

invites the Members of the Union

to contribute national insights on policy, regulatory and operational matters to the strategic planning process undertaken by the Union in the period before the next Plenipotentiary Conference, in order to:

- strengthen the effectiveness of the Union in fulfilling its purposes as set out in the instruments of the Union by cooperating in the implementation of the strategic plan; and
- assist the Union in meeting the changing expectations of all its constituents as national structures for the provision of telecommunication services continue to evolve,

invites, moreover, non-administration entities and organizations

to communicate their views on the strategic plan of the Union to the Secretary-General.

ANNEX TO RESOLUTION COM4/1

TABLE OF CONTENTS

		<u>Page</u>
I	Introduction	2
II	Overall strategy and priorities of the Union	2
	A The ITU mission.....	2
	B Changing telecommunication environment.....	3
	C A general strategic approach	5
	D General policy and programme priorities.....	7
III	Sectoral strategies and priorities	9
	A Radiocommunication.....	9
	B Standardization	12
	C Development.....	13
	D Regional presence	17
IV	Management and personnel strategies and priorities	17
V	Financial considerations.....	18

STRATEGIC PLAN 1995-1999

I Introduction

- 1 This strategic plan for the period 1995-1999 reflects the decisions of the Kyoto Plenipotentiary Conference on strategic policies and plans for the ITU.
- 2 It is intended to provide the strategic framework for the Union's overall activities and budgets for 1995-1999. The Council may adjust the plan as required after considering the report of the Secretary-General.
- 3 The Additional Plenipotentiary Conference (APP) in December 1992 restructured the Union so that it would be organized to respond to the new environment. Although improved structures and working methods are necessary conditions for success, they are not sufficient. With the new structures in place and the new working methods in the process of being implemented, the strategic focus for the next plenipotentiary period must shift to the activities of the Union. To achieve its purposes, the activities of the ITU must serve the changing needs of its membership - both Member administrations and the members who participate in the Union's work - as efficiently and effectively as possible. The ITU may find it necessary to make further adjustments to the Union's structures and working methods at the 1998 Plenipotentiary Conference. However, the dominant strategic theme in the plenipotentiary period 1995-1998 is better service to the Union's various constituencies and other parties with an interest in its work.
- 4 The plan is organized as follows:
 - Section II summarizes the mission of the ITU as defined in the Geneva Constitution and Convention, outlines the main trends in the telecommunication environment which will create threats and opportunities for the Union in the 1995-1999 timeframe, recommends a general strategy for achieving the ITU's purposes in this period, and sets out specific policies, plans and priorities for the Union as a whole;
 - Section III focuses on the challenges facing the Radiocommunication, Standardization and Development Sectors in carrying out the missions they have been given by the Geneva Constitution and Convention, and outlines the strategies which have been developed by the Sectors for responding to these challenges;
 - Section IV discusses the organizational, management and personnel strategies that must be put in place to enhance the efficiency and effectiveness of ITU activities;
 - Section V presents considerations relating to the financing of ITU activities in the period 1995-1999.

II Overall strategy and priorities of the Union

A The ITU mission

- 5 The purposes of the ITU are set out in Article 1 of the Geneva Constitution. In essence, the Union's mission covers the following domains:
 - **a technical domain:** to promote the development and efficient operation of telecommunication facilities, in order to improve the efficiency of telecommunication services, their usefulness, and their general availability to the public;

- **a development domain:** to promote and offer technical assistance to developing countries in the field of telecommunications, to promote the mobilization of the human and financial resources needed to develop telecommunications, and to promote the extension of the benefits of new telecommunication technologies to people everywhere;
- **a policy domain:** to promote, at the international level, the adoption of a broader approach to telecommunication issues in the global information economy and society.

This mission can be accomplished by the ITU in cooperation with other world and regional intergovernmental organizations and those non-governmental organizations concerned with telecommunications.

6 Article 1 of the Geneva Constitution also indicates the means intended to achieve this mission. These means are reinforced by the following principles:

- **cooperation** between ITU Member administrations in policy matters with a view to achieving the highest possible degree of harmonization of their actions;
- **participation** by non-administration entities and organizations in the activities of the ITU's Sectors;
- **information exchange** among all ITU participants and with the wider telecommunication community.

B Changing telecommunication environment

7 A number of important trends in the international telecommunication environment will affect the ITU as it seeks to carry out its mission in the 1995-1999 period.

8 Restructuring of the telecommunication sector: The telecommunication sector continues to be restructured and liberalized. This is being done by separating telecommunication operations from government administrations and by introducing competition in the provision of telecommunication equipment and services. As a result of these changes, the role of many ITU Member administrations is changing. Some administrations that were operators are now regulators only. At the same time, the character of many operators and manufacturers is also changing, as monopoly gives way to competition in liberalized segments of the telecommunication market. These trends are changing the membership profile of the ITU and creating new needs and expectations on the part of Members and non-administration participants alike. The priorities of the Union must therefore be re-examined and re-aligned to reflect the changed nature of the communities it is meant to serve.

9 Technological convergence: The rapid development and convergence of telecommunications, computer, broadcasting and information technology are redefining the boundaries of the telecommunication industry, giving rise to new product and service opportunities, and posing new questions for government policy-makers and regulators. The development of advanced terrestrial and satellite-mobile communication systems and the parallel development of multimedia communication systems will raise issues concerning the priorities of all three ITU Sectors, the manner in which the benefits of these systems can be extended to developing countries, the regulatory environment of convergent services at the domestic and international level, and the membership profile of the ITU. The Union's response to the phenomenon of technological convergence will determine whether or not it continues to serve the interests of the rapidly expanding telecommunication sector in the twenty-first century.

10 Globalization: Global telecommunication consortia are emerging as a result of alliances, mergers and acquisitions between national operators, and through the development of entirely new systems, including mobile-satellite networks intended to provide global coverage through portable, hand-held terminals. The emergence of these global consortia and systems has the potential to change fundamentally the nature of international telecommunications. In the past, international services were jointly provided by national operators. In the future, they will be provided increasingly on a transnational basis. The ITU will of course continue to provide a forum for developing technical, operational, and service standards for global systems, and for allocating spectrum to these services. The question of how policies for global telecommunication systems should be harmonized will be one of the most important and difficult new issues faced by the ITU during the next plenipotentiary period. The exchange of technical information and regulatory experiences will assist all Members in making informed national policy choices regarding infrastructure alternatives, the role of competition, licensing and restructured regulatory regimes. National regulatory responses to global telecommunication systems are of particular interest.

11 Global information economy and society: Technological progress and the globalization of telecommunication operations are closely related to the emergence of today's global information economy and society. These effects are particularly notable in the development of the global economy. Advances in telecommunications have unified world financial, currency and commodity markets in "real-time" trading systems, supported the development of global corporations, and changed the distribution of work between developed and developing countries in the manufacturing and service sectors. As well as supporting the globalization of economic activity, telecommunication and information goods and services are now recognized as important global industries in their own right. Participants in the recently-concluded Uruguay Round of GATT negotiations saw telecommunications as the key to expanding trade in services, as well as to improving trade efficiency in other sectors. Telecommunications also exercise an important influence on worldwide consumer demands, expectations and tastes through the dissemination of advertising and cultural products. These trends are combining to create new expectations concerning international telecommunications on the part of the international community. They are leading to the development of telecommunication-related decisions in other international organizations, most notably in the GATT and the new World Trade Organization (WTO). For the ITU to play "a leading role" in the information economy and society of the twenty-first century, it should establish, in cooperation with international and regional organizations, a vision of the role telecommunications will play in global economic and social development, communicate this vision to other international organizations, and coordinate its activities with them in pursuit of mankind's common goals.

12 Geopolitical change: The rise of the global information economy and society has been accompanied by significant geopolitical changes, as structures which were built on military and political foundations have been adjusted to take account of economic and social developments. In this respect, one of the most important trends has been the development of strong regional economic and trading alliances, most notably in Europe, North America and the Asia-Pacific region. The aim of these alliances is to integrate and strengthen the economies of the regions, to position them better for competing in the global economy. In general, regional organizations have recognized the central role played by telecommunications in economic development and competitiveness. Some have therefore sought to develop regional strategies and policies which will support the growth of telecommunications, in order to further regional economic and social development. In some cases, regional institutions have been established that closely mirror the activities of the ITU. The Union's strategies and priorities should address the respective roles and responsibilities of the ITU, other international organizations, and their regional counterparts.

13 The development gap: In the information economy and society, telecommunication development should no longer be viewed solely in terms of assistance provided from developed to developing countries. It must be seen in the much broader context of sustainable global development. In this perspective, the development of telecommunications is interdependent with the other elements of economic and social development. They are mutually reinforcing and should be pursued in ways that preserve and enhance the natural and human environment. Since telecommunications are now recognized as an essential infrastructure for all human development, universal access to at least basic telecommunication services should be viewed as a fundamental objective by the international community. A decade ago, the Maitland Commission suggested to the ITU that this goal should be reached by the year 2000. While there have been notable advances in some developing countries, there has been very little progress in the fifty or so least developed countries (LDCs). Overall, the gap between the developed and developing worlds has widened. However, new technologies promise to make it possible to achieve the goal of universal access to basic services and to extend some of the benefits of new technologies to developing countries. Closing the development gaps between the LDCs and other developing countries, and between the developed and developing worlds, will require a concerted effort between ITU Members and members, between ITU Sectors, and between the ITU and other international and regional organizations.

C A general strategic approach

14 Since its creation, the ITU's fundamental mission has been technical. The greater part of the Union's resources are allocated to this mission, and its greatest successes have been in this area. The ITU is the only international organization with a thorough technical knowledge of telecommunications, not only because Member countries are represented by telecommunication administrations, but because the world's leading suppliers of telecommunication goods and services participate so actively in ITU activities. The Union's strategy builds on its core technical competence in telecommunications.

15 In developing a strategy based on this foundation, it will be necessary to maintain and strengthen the ITU's role in standardization, in radiocommunication, and in the development of telecommunication networks. This will be done through the activities of the three Sectors and by establishing closer links among them.

16 As a result of the changes that have taken place in the structure of the world telecommunication sector, public policies, legislative frameworks and regulatory institutions are now playing a more decisive role in the development of telecommunications. In addition, the emergence of global telecommunication operators and the GATT agreement on a global framework for regulating trade in telecommunication goods and services strongly indicate that reviewing and updating the ITU's role in the regulation of international telecommunications should be a strategic priority for the period 1995-1999. This may require adaptation of the Union's traditional strengths. In particular, the interplay between the activities of the ITU and the WTO on telecommunication matters will have to be considered. Some adjustments in jurisdiction or procedures may ultimately be necessary. The Union should establish immediately effective liaison with the WTO to identify issues at an early stage and avoid duplication or inconsistent activities. More generally, to maintain ITU's claim to global technical pre-eminence in matters relating to telecommunications, the Union should continue to keep pace with developments in the areas of telecommunication policy, law, regulation and trade.

17 Telecommunication development is a relatively new priority in the ITU mission. Relatively little progress has been made toward the fundamental development goal of universal access to basic telecommunication services in the decade since the Maitland report. The telecommunication needs of developing countries are great, while the resources of the ITU are limited and currently declining. In this situation, the Union's strategy should be to use the leverage provided by its core technical competencies to help achieve its development mission. One of the essential elements of this strategy is improved cooperation and coordination between the Standardization, Radiocommunication and Development Sectors.

18 Strengthening the Union's technical pre-eminence in telecommunications will position the ITU to be a credible partner in development - to the service providers and equipment manufacturers who are driving the development of telecommunications worldwide, to the private investors and public institutions that possess the financial resources needed by developing countries, and to the other international organizations involved in infrastructure, economic and social development programmes which increasingly depend on telecommunications for their success.

19 The policy role of the ITU adopted by the Additional Plenipotentiary Conference (Geneva, 1992) may in the long run prove to be of the greatest strategic significance to the Union. In the 1995-1999 timeframe, the most appropriate strategy for developing the ITU's broad policy role will be to focus the attention of the international community on telecommunication issues in the global information economy and society.

20 The ITU is an intergovernmental organization, and its Members clearly wish it to remain so. The need to preserve the intergovernmental nature of the ITU is therefore a fundamental premise in strategic planning for the Union for the 1995-1999 timeframe. However, great advantage can be derived from enhanced participation of the private sector in the ITU. The ITU's leading role as an international organization and the achievement of its purposes as set out in the Constitution fundamentally depend on the enhanced participation of non-administration entities and organizations. This in turn requires continued consultation with industry participants to ensure that their contributions are rewarded by effective results. The need to enhance the ITU's character as a partnership between the public and private sectors is therefore a fundamental strategic premise.

21 As the Union refines its strategy in the 1995-1999 period, Member administrations must remain ever conscious of the strategic need to maintain and strengthen the relationship between the public and private sectors within the ITU.

22 The Union's strategy in the plenipotentiary period 1995-1998 should be to approach this issue on a practical basis, taking into account:

- the changing roles, needs and functions of Member administrations;
- the associated changes in the wider communications industry, and the changing needs of all ITU participants. On this basis, it will be possible to examine how adequately these needs are served by existing structures and working methods, and thereby determine whether adjustments are required to meet the specific, evolving needs of ITU constituents.

Members must be prepared to adjust the ITU's structures and working methods if it is in the long-term interest of the Union to do so.

D General policy and programme priorities

23 The following policy and programme priorities are recommended for particular attention, within the budgetary limits of the plenipotentiary period 1995-1998:

1 Strengthening the foundations of the Union

24 In order to increase the effectiveness of the ITU, the following actions should be considered for the 1995-1998 plenipotentiary period:

- the needs of ITU Member administrations, non-administration participants and the world telecommunication sector, including telecommunication user groups and development partners, should be systematically analysed to determine what they require and expect from the Union. This should initially be done on a comprehensive basis and as a matter of urgency by the 1995 Council. Further and possibly more targeted analysis should be conducted at regular intervals throughout the plenipotentiary period;
- the participation in Union activities of non-administration entities and organizations should be enhanced. Because of the intergovernmental nature of the ITU, this should be done in the first instance by encouraging national entities and organizations to participate in national delegations and in forums established by Member administrations for developing national positions for ITU meetings and conferences;
- as provided by Resolutions COM4/2 and COM4/3, the terms and conditions under which members participate in Union activities should be reviewed and updated in light of their changing needs and the ITU's changing requirements. A study programme should also be undertaken to determine under what conditions non-profit organizations and the smaller members might take part in ITU activities. The impact of these changes on the financial balance between the three ITU Sectors should be carefully monitored;
- linkages and synergies between the activities of the three ITU Sectors should be reinforced.

2 Broadening the scope of Union activities

25 At the same time as the Union seeks to strengthen its current core competencies to ensure its technical pre-eminence in international telecommunications, it must take cognizance of the rapid changes taking place in the telecommunication environment and in the needs of its Members:

- a purpose of the Union is to promote, at the international level, a broader approach to telecommunication issues in the global information economy and society. ITU Member administrations realize the need for constant review of their own telecommunication policies and legislation and for coordination with those of other Members in the rapidly changing telecommunication environment. A new forum established by Resolution COM4/4 will provide a framework for discussion of telecommunication policy, without prescriptive regulatory outcomes;
- the implications of the Marrakesh Agreement, including the General Agreement on Trade in Services (GATS), the implications of technological convergence and global telecommunication systems are possible topics for priority consideration in these forums;
- developments which might lead to the need in a future plenipotentiary period to hold a world conference on international telecommunications (WCIT), as provided for in Article 25 of the Constitution (Geneva, 1992), should be kept under review;

- the Union should develop strategies to exploit its information resources more effectively. There is a huge and growing demand for information about telecommunications. By capitalizing on the technical information available through its radiocommunication, standardization, and development study groups, the data collected by the Standardization and Development Sectors, and the telecommunication indicators programme, the ITU could respond to this demand and increase revenues from its publications programme. In developing an ITU information resources strategy along these lines, the terms and conditions under which members should obtain access to ITU information resources must be carefully considered, and care taken to avoid policies which would create incentives for companies simply to purchase ITU information products and services instead of becoming Sector members.

3 Increasing the Union's leverage

26 Broadened and reinforced technical competence in all matters relating to global telecommunications will position the Union to play an increasingly predominant role in issues relating to the global information economy and society. Key priorities in the 1995-1999 timeframe are:

- strategic alliances should be developed with other international and regional organizations which have an important influence on the development of telecommunications. At the international level, cooperation with the new WTO, OECD, the World Bank and UNESCO should be priorities. At the regional level, telecommunication standardization, development and financial organizations are of increasing importance;
- the ITU's relationship with the rest of the United Nations system should be strengthened. In the global information economy and society, telecommunications will be increasingly important for the activities of all international organizations, particularly those involved in large-scale peace, security and development projects. By working in partnership with other organizations and making its core technical competence in telecommunications available to support their activities, the ITU will leverage its own resources and multiply the effectiveness of its activities;
- the Union's public information capabilities should be increased. At present, the ITU is surely one of the least known international organizations, in spite of the fact that the development of the global telecommunication network is increasingly vital to the welfare of humanity. The Members of the Union have asked it to play a leadership role in the international community. To do this, the ITU must communicate its message more effectively than it does at present, to ensure that governments are aware of the importance of telecommunications as a tool for social and economic development.

III Sectoral strategies and priorities

A Radiocommunication

A.1 The Radiocommunication Sector mission

27 Under the provisions of the Constitution and the Convention (Geneva, 1992), the mission of the ITU Radiocommunication Sector is, *inter alia*, to ensure rational, equitable, efficient and economical use of the radio-frequency spectrum by all radiocommunication services, including those using the geostationary-satellite orbit, and to carry out studies on radiocommunication matters by:

- ensuring, through world radiocommunication conferences, that the Radio Regulations contain at treaty level only those provisions necessary to respond to the needs of the international community;
- meeting the specific needs of Members of a Region through regional radiocommunication conferences;
- coordinating efforts to eliminate harmful interference between radio stations of different countries;
- making recommendations on technical radiocommunication matters through radiocommunication assemblies and study groups;
- providing the products and services necessary to accomplish the Sector's purposes through the Radiocommunication Bureau and the Radio Regulations Board;
- developing an appropriate set of rules of procedure for approval by the Radio Regulations Board and for use in the application of the Radio Regulations and of the decisions of competent radiocommunication conferences.

A.2 The radiocommunication environment

28 Notably, the radiocommunication environment is characterized by:

- technological convergence of information technology and telecommunications (including audiovisual technology);
- rapid technological development, and the widespread application of digital techniques to most space and terrestrial systems, including mobile communications and new television and sound broadcasting systems;
- increasing demand for the limited radio-frequency spectrum and orbital positions for space and terrestrial systems, different services and service providers, and different countries;
- growing competition in the marketplace between "wired" and "wireless" communications;
- growing recognition of the economic value of frequencies and orbital positions leading to new approaches to national spectrum management in some countries;
- the growing role of regional organizations and private sector collaboration.

A.3 The Radiocommunication Sector strategy

29 The strategy of the Radiocommunication Sector is to ensure that the ITU remains the pre-eminent global body for radiocommunications.

The objectives of the Radiocommunication Sector to achieve this strategy are to carry out the functions laid down in the Convention, and specifically in the period 1995-1999:

- to develop and adopt more precise criteria for frequency sharing and coordination of new and existing systems in both space and terrestrial environments;
- to complete the simplification of the Radio Regulations to the extent possible and consider any consequential impact on the Radiocommunication Sector;
- in close collaboration with the Telecommunication Development Sector and the Telecommunication Standardization Sector, as appropriate, to organize information meetings and world and regional seminars, accelerate the development of handbooks, and facilitate the development of automated spectrum management systems;
- to continue to improve the working methods and cost-effectiveness of the Radiocommunication Sector, and to aim at more efficient radiocommunication assemblies and radiocommunication conferences;
- to optimize cooperation with the other Sectors and organizations and to minimize duplication of effort;
- to facilitate the development and introduction of new technologies;
- to implement efficient means in order to promote broader participation by Members, particularly developing countries, and other entities in all the activities of the Radiocommunication Sector;
- to ensure that the Radio Regulations and the rights of Member administrations and service providers are respected;
- to ensure that the Radio Regulations Board carries out its functions, particularly in regard to the use made of frequency bands and satellite orbits, in a manner which maintains the confidence of Member administrations.

A.4 Priorities of the Radiocommunication Sector for 1995-1999

30 The priorities of the Radiocommunication Sector for 1995-1999, in addition to those identified by future conferences, are:

- to facilitate the development and introduction of mobile-satellite services (MSS) and future public land mobile telecommunication systems (FPLMTS), including the development of relevant sharing conditions, taking account of existing services;
- to facilitate the development and introduction of digital television, including high-definition television (HDTV), and digital sound broadcasting;
- to provide assistance, as requested by a world telecommunication development conference, to facilitate the introduction of modern radio systems to assist the developing countries in raising penetration levels, particularly in rural areas;
- to facilitate timely coordination between new systems and existing systems in both space and terrestrial environments;
- to expand the assistance offered to Member administrations in registering frequency assignments and in applying the Radio Regulations, with special attention to developing countries;

- to ensure that the Radio Regulations are respected in the increasingly competitive and commercial radiocommunication environment;
- in relation to improving the working methods of the Sector, to address options for:
 - early establishment of user-friendly document exchange capability;
 - accelerated development of recommendations and improvement in publication mechanisms (reduce unit cost and time to publish, provide wider distribution and electronic availability);
 - increased use of informatics for the notification and processing of frequency assignments;
 - a flexible organizational structure in the Radiocommunication Bureau with special attention to the training and development of the Bureau's staff;
- to promote the development of a global information infrastructure (GII);
- to encourage the participation by non-administration entities and organizations in the activities of the Radiocommunication Sector.

A.5 Radiocommunication Sector actions

31 Taking into account its mission, environment, strategy, objectives and priorities, the intended actions of the Radiocommunication Sector include:

- conduct of information meetings, world and regional seminars and assistance to administrations with special attention to developing countries, e.g. through the development of handbooks;
- further development of cooperation with other Sectors and organizations and avoidance of duplication;
- responding, as appropriate, to the items in the Buenos Aires Action Plan relating to radio-spectrum management;
- increased use of informatics and information technologies including the development of an automated spectrum management system;
- development of a flexible organizational structure, improvement of working methods, utilization of modern communication media and organization of training and development of the Bureau's staff;
- recognition that the ITU is an organization providing services to administrations and members of the three Sectors;
- enhanced participation by non-administration entities and organizations.

B Standardization

B.1 The Standardization Sector mission

32 Under the provisions of the Constitution and Convention (Geneva, 1992), the mission of the ITU Telecommunication Standardization Sector is to fulfil the purposes of the Union relating to telecommunication standardization by studying technical, operating and tariff questions and adopting Recommendations on them with a view to standardizing telecommunications on a worldwide basis.

B.2 The standardization environment

33 The standardization environment is characterized by:

- rapid technological change and shortened innovation cycles;
- rapid development and convergence of telecommunication, broadcasting, computer and information technology;
- rapid growth of new products and services;
- heightened competition between and among network operators, service providers and equipment suppliers;
- increasing involvement of non-administration entities in the standardization process;
- the growing influence of regional standardization organizations and industry forums;
- a worldwide shift from a "technology-driven" to a "market-driven" approach to standardization;
- a parallel shift from an all-embracing "theoretical" to a "practical" approach with emphasis on rapid implementation;
- emergence of global telecommunication operators and systems.

B.3 The Standardization Sector strategy

34 The goal of the Standardization Sector is to ensure that the ITU remains the pre-eminent global telecommunication standardization body. Strategies to achieve this goal include:

- adopting a market-oriented approach to standardization;
- delivering high-quality products (i.e. recommendations) on time ("value for money");
- clearly defining the role of the ITU in relation to regional standardization bodies and industry forums;
- developing appropriate agreements and cooperative relationships with these partners;
- within the Sector's area of competence, focusing on high-priority standardization areas;
- continuing to improve the working methods of the Standardization Sector, including improved and accelerated development and approval of recommendations;
- enhancing participation and involvement by non-administration entities and organizations in the standardization process.

B.4 The priorities of the Standardization Sector for 1995-1999

35 The Standardization Sector's priorities for 1995-1999 are:

- to develop global standards for incorporating new technologies, services and capabilities in telecommunication networks, e.g.:
 - intelligent networks (IN);
 - broadband integrated services digital network (B-ISDN);

- asynchronous transfer mode (ATM);
- universal personal telecommunication (UPT);
- multimedia communication systems (MCS);
- future public land mobile telecommunication systems (FPLMTS) and mobile-satellite systems (MSS);
- global virtual network service (GVNS);
- to develop global standards required to manage increasingly complex telecommunication networks:
 - telecommunication management network (TMN);
 - standards relating to quality of service and network performance;
 - numbering plans;
- to continue to develop and review tariff and accounting principles for international telecommunications;
- to continue the review of new and existing work and its distribution between the Radiocommunication and Standardization Sectors, bearing in mind the priorities as defined in both Sectors;
- to optimize cooperation with the other Sectors of the Union and to minimize duplication of effort;
- to continue to improve the efficiency of the ITU standardization process;
- to continue to cooperate with other global and regional standardization organizations and industry forums to harmonize the development and implementation of global telecommunication standards;
- with special attention to developing countries, to cooperate with the other Sectors in the organization of information meetings, seminars and workshops, and in the development of case studies, guidelines and handbooks.

C Development

C.1 The Development Sector mission

36 Under the Constitution and Convention (Geneva, 1992), the ITU Development Sector has a dual responsibility reflecting the Union's status as a United Nations specialized agency and as an executing agency for implementing development projects under the United Nations development system or other funding arrangements. In all its efforts, the ITU Development Sector is working towards the broad aim that all countries in the world should have effective telecommunication networks and services, based on the most appropriate technology. Its mission is:

- to raise awareness of the importance of telecommunications for national economic and social development;
- to provide information and advice on policy and structural options;
- to promote the development, expansion and operation of international, regional and national telecommunication networks in developing countries by reinforcing capabilities for human resources development, planning, management, resource mobilization and research and development, in cooperation with other ITU Sectors and other international and regional organizations and in partnership with the private sector;
- to promote and coordinate programmes to accelerate the transfer of appropriate technologies to the developing countries;

- to encourage participation by industry in telecommunication development in developing countries, and offer advice on the choice and transfer of appropriate technology;
- to give special attention to the requirements of and provide assistance to the least developed Countries (LDCs).

C.2 The development environment

37 The telecommunication development environment is characterized by:

- restructuring and liberalization of the telecommunication sector at the national and international level, so that the provision of telecommunication services is increasingly governed by the laws of competition;
- overall, the gap between developed and developing countries has narrowed slightly in terms of access to basic telephone services, but has widened where advanced telecommunication services are concerned;
- rapid development of telecommunications in some countries, particularly in the Asia-Pacific and Latin America regions, associated with general economic growth;
- little progress in other countries, particularly in the Africa region, where economic growth has stagnated and telecommunications has not been restructured;
- a change in UNDP strategy, which now emphasizes national execution of development projects rather than international execution through specialized agencies;
- a consequent drop in project execution funding which has been only partially offset by a rise in funds-in-trust and voluntary contributions, thereby reducing the financial resources available to the Development Sector to discharge its dual responsibility referred to in paragraph 36;
- increasing emphasis on policy and regulatory frameworks which create open markets and encourage private investment (including foreign investment), with the result that development programmes rely less and less on technical assistance and more and more on partnerships and trade agreements;
- the funds available to the ITU for telecommunication development will remain limited when compared with the needs of developing countries, requiring the ITU to play a catalytic role.

C.3 The Development Sector strategy

38 The strategy of the Development Sector is based on three main areas:

Direct assistance - The Development Sector provides assistance to developing countries, to strengthen, expand and harmonize their telecommunication networks and services by:

- assisting countries to create the necessary policy, strategic and investment environment that will allow and enable the successful development of telecommunications, by mobilizing the support of key decision-makers in all sectors;
- assisting the telecommunication sector to develop and strengthen its institutional capacity;
- assisting the telecommunication sector to develop plans;
- assisting those who are involved in the telecommunication sector to acquire the necessary and appropriate knowledge and expertise in the latest developments in telecommunications.

Partnership - In the second area, the Development Sector plays a catalytic and facilitating role in encouraging all the actors in telecommunications to work together in telecommunication development. More specifically, it promotes and facilitates the active involvement of developed countries and the international community in the development process by:

- working cooperatively with other international and national organizations in order to promote an integrated approach to sustainable development, particularly in rural areas through an integrated rural development (IRD) approach;
- working cooperatively with regional telecommunication organizations and with the global, regional and national development and financing organizations;
- encouraging the private sector to participate in the activities of the Development Sector;
- optimizing cooperation with the other Sectors of the Union and minimizing duplication of effort;
- mobilizing resources in support of telecommunication development projects.

Resource development and mobilization - The Development Sector develops and mobilizes resources, including financial and human resources, technology, information and expertise for telecommunication development, through constant action to:

- identify sources of financing;
- develop human resources management tools and systems;
- develop and manage information databases of interest for the development process.

C.4 Priorities of the Development Sector for 1995-1999

39 The world and regional telecommunication development conferences have identified through their resolutions and through a concrete work programme for the Telecommunication Development Sector, the Buenos Aires Action Plan¹, the priorities specific to the Development Sector and the areas of cooperation with its development partners.

40 The work programme will be implemented as a matter of urgency and within the available resources in coordination and cooperation with development partners, with emphasis on assistance to the LDCs. It comprises three chapters:

Chapter 1

- The development of recommendations, guidelines, models, etc. to assist, advise and inform, *inter alia*, policy-makers by means of a programme of cooperation among members, the relevant work of the two study groups (and working parties as required), and development conferences.

Chapter 2

- Updating existing programmes and studies;
- implementing projects and activities within 12 new complementary programmes in the areas of:
 - policies, strategies and financing;
 - human resources management and development;
 - guidelines for the elaboration of a business-oriented development plan;
 - development of maritime radiocommunication services;
 - computer-aided network planning;
 - frequency management;

¹ The official text of the Buenos Aires Action Plan is set out in the Final Report of the World Telecommunication Development Conference (Buenos Aires, 1994).

- improvement of maintenance;
- mobile cellular radio telephone systems;
- integrated rural development;
- broadcasting infrastructure;
- information services;
- development of telematics and computer networks;
- providing ad hoc assistance;
- executing of UNDP and funds-in-trust projects.

Chapter 3

- Special programme of assistance for LDCs to ensure the adequate participation of LDCs in implementation of the Buenos Aires Action Plan.

C.5 Development Sector actions

41 The intended actions of the Development Sector in accordance with its mission, priorities and strategies and in pursuance of the decisions of the first World Telecommunication Development Conference (Buenos Aires, 1994) include:

- full implementation of the Buenos Aires Action Plan, with special focus on the needs of LDCs;
- implementation of recommendations of development study groups through field trials and project-type activities;
- updating of existing and preparation of new handbooks/manuals following the transfer of special autonomous groups (GAS) activities (Resolution 7 of the Additional Plenipotentiary Conference (Geneva, 1992));
- encouraging enhanced participation by non-administration entities in the activities of the BDT;
- mobilizing resources for development projects bearing in mind in particular the needs of the LDCs;
- further development of cooperation with other Sectors and organizations for the benefit of telecommunication development and with the aim of avoiding duplication;
- continuing to provide updated statistical information, development indicators and other related reports.

D Regional presence

42 The regional presence of the ITU was established gradually by the previous Plenipotentiary Conferences without any clear definition of its objectives and purposes. At the same time, the Plenipotentiary Conference (Nice, 1989) set up the BDT and adopted Resolution 17 to strengthen regional presence without adequately specifying how it fitted together with the various components of the Union, in particular the BDT. After five years of operation of reinforced regional presence and taking account of the conclusions of the world and regional development conferences, the principle of a strong ITU regional presence, with a certain form of delegation of authority and responsibility, should be consolidated.

43 The main purpose of the regional presence must be to enable the Union to be as close as possible to its Members and, within the limits of the available resources, to carry out BDT activities to meet the increasing and diverse requirements of the developing countries in expanding their telecommunication networks and services. To achieve this, ITU regional presence should, in general, serve mostly as technical and logistical support to BDT activities, assisting in the implementation, in the field, of the decisions, recommendations, actions, programmes and projects approved by the Member countries or the relevant Sector of the Union, by means of direct and sustained contacts with the responsible national authorities, regional and subregional organizations and other bodies concerned. To this end, the Conference has redefined the purposes and the mission of regional presence in Resolution COM4/5.

IV Management and personnel strategies and priorities

44 To support the strategies and priorities proposed in this plan, the secretariat should continue the process of management reform which was begun in the plenipotentiary period 1990-1994, following the recommendations made by the consultants and the High Level Committee. Priorities for the period 1995-1999 include:

- continuing to develop and integrate the strategic planning, operational planning, financial management and performance management systems that have been put in place during the plenipotentiary period 1990-1994;
- continuing to improve the efficiency and effectiveness of the ITU's conference services;
- developing and implementing a strategy for electronic and paper publications;
- continuing to develop the ITU information systems and services strategy, particularly services such as TIES²/ITUDOC which benefit the membership.

45 The ITU staff are among the Union's most precious resources. To enable the secretariat effectively to assist ITU Members in adapting the organization's activities to the rapidly changing telecommunication environment, a global approach should be taken to the development and management of the ITU's human resources within the framework of the United Nations common system. Key priorities for the period 1995-1999 are:

- **post classification** - the development of post classification criteria which will ensure that due attention is given to :
 - the highly technical requirements of many ITU professional positions which call for specialized expertise but do not entail extensive managerial responsibilities;
 - the important managerial requirements of some other positions, where the need for the relevant knowledge, skills, aptitudes and experience outweighs the technical requirements;

² Telecom Information Exchange Services.

- **staffing table** - the profile of established posts and the distribution of permanent and fixed-term contracts should be reviewed in view of the structural changes, the technological developments and the nature of the work :
 - in general, to achieve a better balance between permanent and fixed-term contracts throughout the organization;
 - in particular, to achieve a better balance between the situation of staff in the BDT and elsewhere in the organization;
- **recruitment and promotion** - the development and implementation of recruitment and promotion policies and procedures designed to:
 - ensure equitable geographical representation within the ITU ;
 - improve the representation of women in professional positions;
 - allow for the development of a dynamic workforce by creating suitable positions for the entry of recent university graduates;
 - ensure career development and internal promotions;
- **organizational and career development** - the strengthening of the organization and the enhancement of career development opportunities through:
 - the implementation of a comprehensive in-service training programme, with the provision of the necessary financial resources, having due regard to increasing the number of women in the professional category;
 - the use of the entire classification structure of the United Nations common system from G.1 to D.2;
 - the provision of career guidance, planning and counselling and performance evaluation services.

V Financial considerations

46 The strategic plan proposed in this report calls upon the ITU to undertake a number of policy and programme initiatives in the plenipotentiary period 1995-1998. This section of the plan outlines the financial factors considered by the Kyoto Plenipotentiary Conference when examining global options for the period 1995-1999.

47 Income side of the ITU budget: The ordinary income of the ITU comes from three main sources:

- assessed contributions of Member administrations to the ordinary budget of the Union;
- assessed contributions of members of the ITU Sectors to the ordinary budget of the Union;
- support cost income earmarked to cover the cost of technical cooperation projects executed by the ITU Development Sector on behalf of UNDP and funds-in-trust.

48 An analysis of income trends indicates that:

- assessed contributions from Member administrations to the ordinary budget has reached a plateau; income from these sources appears unlikely to grow dramatically and may begin to decline;
- UNDP funding has declined precipitously in the plenipotentiary period 1990-1994; it appears unlikely that this trend will be reversed because of the change in strategy at UNDP.

49 These income trends are significant for the plenipotentiary period 1995-1998. At the commencement of the period covered by this Plan, 86% of the ITU's ordinary income comes from the contributions of Member administrations. A further 12% is contributed by members, while the remaining 2% comes from UNDP and funds-in-trust. Only the contributions of Member administrations are highly predictable.

50 Expenditure side of the ITU budget: The ITU has both fixed and variable expenditures:

- approximately 75% of the fixed expenditures are staff costs; the bulk of the remainder is for maintaining and improving physical facilities;
- the variable expenditures are related mainly to the programme of conferences and meetings; approximately 20% of the ITU's total expenditure falls in this class.

51 Against this background, and taking into account the maximum total that the Members estimate they can spend, the Plenipotentiary Conference has adopted Decision COM7/2 establishing the limit of expenditure for the financial period 1995-1999 for a maximum of 750 million Swiss francs, value at 1 January 1994.

52 In the light of the many changes taking place in the telecommunication environment, Resolution COM7/7 provides for a comprehensive study of the financial foundations of the Union during the plenipotentiary period 1995-1998, involving participation by Members and members.
